UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

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OFFICE OF WATER

**MEMORANDUM**

SUBJECT: Award of Special Appropriations Act Project Grants Authorized by the Agency's FY 2008 Appropriations Act

FROM: James A. Hanlon, Director
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TO: Water Management Division Directors
Regions I - X

**PURPOSE**

This memorandum provides information and guidelines on how the Environmental Protection Agency (EPA) will award and administer Special Appropriations Act Project (SAAP) grants identified in the State and Tribal Assistance Grants (STAG) account of the Agency's fiscal year (FY) 2008 Appropriations Act.

**BACKGROUND**

The EPA section of P. L. 110-161, the "Consolidated Appropriations Act, 2008,", also referred to as the Agency's FY 2008 Appropriations Act, includes $135,000,000 in the STAG account for 280 water, wastewater and groundwater infrastructure projects. Also included as separate line item in the STAG account was $20,000,000 for the United States-Mexico Border Program. The Joint Explanatory Statement for Division F of the FY 2008 Appropriations Act - Department Of The Interior, Environment, and Related Agencies Appropriations Act, 2008, specifically identifies two projects to be funded directly from the line item for the United States-Mexico Border Program: "$5,000,000 is directed to the El Paso and Brownsville projects funded in prior years." The FY 2008 Appropriations Act also contains a rescission of 1.56% from all appropriations accounts.

The specific requirements governing the award of the special projects and programs are contained in the following documents: the FY 2008 Appropriations Act, the Joint Explanatory Statement for Division F of the FY 2008 Appropriations Act - Department Of The Interior, Environment, and Related Agencies Appropriations Act, 2008, the House Report (H. Rept. No.

**THREE PERCENT SET-ASIDE**

The Agency's FY 2001 Appropriations Act (P. L. 106-377) included a provision stating that the Administrator may use up to three percent of the amount appropriated for each earmark to fund State, Corps of Engineer or contractor support for the management and oversight of the special projects. This means that the set-aside monies cannot be used to pay for EPA staff or travel expenses. EPA issued a formal policy memorandum on September 27, 2001, that provides information and guidelines on how the Agency will implement the three percent set-aside provision.[1] EPA also issued a formal policy memorandum, SAAP 06-02, on January 20, 2006, that amends the aforementioned memorandum (attachment 8).

The three percent set-aside provision is a permanent statutory authority which means it applies to all FY 2001 and later SAAPs including those listed in the STAG account of this year's Appropriations Act. However, the three percent set-aside provision does not apply to the United States-Mexico Border Program grants or any other funds in the STAG account.

**PROJECTS**

The Joint Explanatory Statement that accompanied the Agency's FY 2008 Appropriations Act identified two projects funded from monies appropriated for the United States-Mexico Border Program. These two projects will be awarded and administered within the guidelines and provisions contained in this memorandum, unless otherwise noted herein.

Attachment 1 identifies the 280 earmarks listed in the STAG account and the two projects funded from monies appropriated for the United States-Mexico Border Program. Attachment 1 also shows the original amount appropriated for each project, as well as the actual amount available for grant award after the reduction due to the 1.56% percent rescission and three percent set-aside provision.[2]

The SAAPs identified in Attachment 1 will be awarded and administered by the Regional Offices. The delegation of authority (1200 TN 516), issued on September 28, 2000 (Attachment 2), is listed in Chapter 1, Delegation Number 1-102, of EPA's Delegation Manual. This delegation of authority transferred the authority to award grants and cooperative agreements for funds included in the STAG account to the Assistant Administrator for Water and the Regional Administrators. Accordingly, the Regions and Headquarters have the necessary authority, effective the date of this memorandum, to award grants and cooperative agreements for the

[1]This document is available on the internet at www.epa.gov/owm/mab/owm0318.pdf.

[2] States that choose to perform the necessary construction oversight activities for the planning, design and building phases of a project at their own expense may request to have the three percent set-aside funds assigned to the respective grant recipients within their States. Headquarters will transfer the necessary funds to the Regions for this purpose after the formal review and approval of the State's request.

special projects and programs identified in the STAG account of the Agency's FY 2008 Appropriations Act.

## COST-SHARE REQUIREMENT

The FY 2008 Appropriations Act contains the following language:

> $135,000,000 shall be for making special project grants for the construction of drinking water, wastewater and storm water infrastructure and for water quality protection in accordance with the terms and conditions specified for such grants in the explanatory statement accompanying this Act, and, for purposes of these grants, each grantee shall contribute not less than 45 percent of the cost of the project unless the grantee is approved for a waiver by the Agency

The Senate Report contains language that states that a "hardship waiver" may be granted. Though neither the language from previous years requiring that waivers be based on financial capability issues, nor the language from the Senate Report were included in the Act or the Joint Explanatory Statement, the Agency will continue to implement the waiver provision in the same manner as FY 2006. Accordingly, our policy for the projects listed in Attachment 1 is that grant applicants will be expected to pay for 45 percent of the project costs unless there is specific language in the Conference Report or Appropriations Act that specifies a different matching requirement or a waiver to the matching requirement is approved based on financial capability issues.

Furthermore, in those situations where the description in the Conference Report explicitly defines the scope of work of the project, the Federal share of the grant will be limited to 55 percent of the estimated cost for completing the scope of work described, regardless of the amount appropriated for the project, unless a waiver to the matching requirement is approved based on financial capability issues. This means, in some instances, that the grant amount will be less than the amount appropriated for the project and that some funds will not be obligated. The disposition of any such unobligated grant funds will be determined by Congress.

## WAIVERS TO THE MATCHING REQUIREMENT

In March 1997, EPA published *Combined Sewer Overflows -- Guidance for Financial Capability Assessment and Schedule Development*.[3] This financial guidance document includes a process for measuring the financial impact of current and proposed wastewater treatment facilities and drinking water facilities on the users of those facilities, and establishes a procedure for assessing financial capability. The process for assessing financial capability contained in that document was initially developed in the 1970's and has been extensively revised based on EPA's experience in the construction grants, State Revolving Fund (SRF), enforcement and water

[3]This document is available on the internet at www.epa.gov/owm/pdfs/csofc.pdf.

quality standards programs. The assessment process requires the calculation of a financial capability indicator. The Agency approves waivers in those cases where the financial capability indicator shows that the project would result in a high financial burden on the users of the facility.

Exceptions to the 45 percent match requirement must be approved by EPA Headquarters. All requests for an exception should be prepared by the EPA Regional Offices using information provided by the grant applicant. The request must include the information contained in Chapters III and IV of the Financial Capability Assessment guidance document.[4] The requests, including the necessary supporting documentation and appropriate background material, should be submitted to the Chief, State Revolving Fund Branch, (Mail Code 4204M), USEPA, 1200 Pennsylvania Avenue NW, Washington, D.C. 20460.

## FEDERAL FUNDS AS A SOURCE OF MATCHING FUNDS

Federal funds from other programs may be used as all or part of the match for the SAAPs only if the statute authorizing those programs specifically allows the funds to be used as a match for other Federal grants. Additionally, the other Federal programs must allow their appropriated funds to be used for the planning, design and/or construction of water, wastewater or groundwater infrastructure projects. Listed below are the major Federal programs whose grant or loan funds can be used to provide all or part of the match for the SAAPs:

- Department of Agriculture, Rural Development program;
- Department of Housing and Urban Development, Community Development Block Grant program; and
- Appalachian Regional Commission grants.

As previously stated, Federal funds may be used as all or part of the match for other Federal grant programs only if the authorizing legislation includes such authority. Since the FY 2008 Appropriations Act does not include such language, the Special Appropriations Act grant funds cannot be used as a source of matching funds for other Federal programs.

## LOANS FROM A STATE REVOLVING FUND AS A SOURCE OF MATCHING FUNDS

The Agency provides funding for two separate State Revolving Fund (SRF) loan programs, the Clean Water State Revolving Fund (CWSRF) program and the Drinking Water State Revolving Fund (DWSRF) program. The Agency has taken actions that allow particular sources of funds from the two SRF programs to be used as a source of the local match.

[4] All of the financial data used to calculate the financial capability indicator must be indexed to the same year. The Bureau of Labor Statistics' web site (www.bls.gov/cpi/) contains an "Inflation Calculator" that will automatically perform this function.

Specifically, the Agency issued the following two documents:

- A class deviation from the regulatory provisions of 40 CFR 35.3125(b)(1). The class deviation,[5] issued August 16, 2001, pertains to the CWSRF program.

- A policy memorandum designated as DWSRF 02-01. The policy memorandum,[6] issued October 10, 2001, pertains to the DWSRF program.

The class deviation and policy document listed above allow State SRF programs to use the non-Federal and non-State match share of SRF funds to provide loans that can be used as the match for the special projects. The non-Federal funds include repayments, interest earnings and bond proceeds. The non-State match share (i.e., the overmatch) is any State contribution to the SRF above the statutorily required 20 percent match.

The use of a loan from an SRF to provide part of or the entire match for a SAAP is a State SRF program agency decision. However, the action must be consistent with established State policy, guidelines and procedures governing the use of SRF loans. Projects that receive SRF assistance must also adhere to Federal CWSRF or DWSRF program requirements relating to eligibility and prioritization.

**PRE-AWARD COSTS**

The Office of Grants and Debarment (OGD) issued a policy memorandum (GPI 00-02) on March 30, 2000, that applies to all grants, including Special Appropriations Act projects awarded on or after April 1, 2000. Additionally, a clarification to the policy memorandum (GPI 00-02(a)) was issued by OGD on May 3, 2000. The two memorandums revised the Agency's interpretation of a provision contained in the general grant regulations at 40 CFR 31.23(a) concerning the approval of pre-award costs.

In essence, the OGD memorandums state that:

- Recipients may incur pre-award costs [up to] 90 calendar days prior to award provided they include such costs in their application, the costs meet the definition of pre-award costs and are approved by the EPA Project Officer and EPA Award Official.

- The award official can approve pre-award costs incurred more than 90 calendar days prior to grant award, in appropriate circumstances, if the pre-award costs are in

[5]This document is available on the internet at www.epa.gov/owm/mab/owm0324.pdf.

[6]This document is available on the internet at www.epa.gov/owm/mab/owm0325.pdf.

conformance with the requirements set forth in OMB Circular A-87 and with applicable Agency regulations, policies and guidelines.

The OGD memorandums state that the award official can approve pre-award costs incurred prior to grant award in appropriate situations if the approval of the pre-award costs is consistent with the intent of the requirements for pre-award costs set forth in OMB Circular A-87 and are in conformance with Agency regulations, policies and guidelines. The following two situations meet these requirements:

- Any allowable costs incurred *after* the start of the fiscal year for which the funds were appropriated but before grant award *(for FY 2008 projects, this date is October 1, 2007).*

- Allowable facilities planning and design costs associated with the construction portions of the project included in the grant that were incurred *before* the start of the fiscal year for which the funds were appropriated *(for FY 2008 projects, this date is October 1, 2007).*

Accordingly, effective April 1, 2000, the Regions have the authority to approve pre-award costs for the two situations described above. Any approval, of course, is contingent on the Regional Office determination that the pre-award costs in question are in conformance with the applicable Federal laws, regulations and executive orders that govern EPA grant awards and are allowable, reasonable and allocable to the project.

The Regions may not approve any pre-award costs for SAAPs, other than those that involve the two situations discussed above, without written approval from Headquarters. The request, with sufficient supporting documentation, should be submitted to the Chief, State Revolving Fund Branch, (Mail Code 4204M), USEPA, 1200 Pennsylvania Avenue NW, Washington, D.C. 20460. The State Revolving Fund Branch will consult, in appropriate circumstances, with the National Policy, Training and Compliance Division (NPTCD) and the Office of General Counsel. If appropriate, a deviation from 40 CFR 31.23(a) will be processed and issued.

## LAWS, REGULATIONS AND REQUIREMENTS

A listing of the Federal Laws and Executive Orders that apply to all EPA grants, including the projects authorized by the Agency's FY 2008 Appropriations Act, is contained in Attachment 3. Some of the authorities only apply to grants that include construction, e.g., EO 13202. A more detailed description of the Federal laws, Executive Orders, OMB Circulars and their implementing regulations is available through the OGD Grants Intranet website at http://intranet.epa.gov/ogd/.

The regulations at 40 CFR Part 31 apply to grants and cooperative agreements awarded to State and local (including tribal) governments. The regulations at 40 CFR Part 30 apply to

grants with nonprofit organizations and with non-governmental for-profit entities. In appropriate circumstances, such as grants for demonstration projects, the research and demonstration grant regulations at 40 CFR Part 40 can be used to supplement either 40 CFR Part 30 or Part 31.

The Agency issued a memorandum[7] in January 1995, concerning the applicability of 40 CFR Part 29 (Intergovernmental Review) to the special projects authorized by the Agency's FY 1995 Appropriations Act. That memorandum also applies to the special projects authorized by the Agency's FY 2008 Appropriations Act.

The Davis-Bacon Act does not apply to grants awarded under the authority of the Agency's FY 2008 Appropriations Act because the Appropriations Act does not include language that positively asserts authority. However, if FY 2008 funds are used to supplement funding of a construction contract that includes Clean Water Act Title II requirements (e.g., contracts awarded under the construction grants or coastal cities programs), the entire contract is subject to Davis-Bacon Act requirements, including the portion funded with FY 2008 funds.

**SPECIFIC ENVIRONMENTAL REQUIREMENTS**

The National Environmental Policy Act (NEPA) and other relevant applicable statutes and Executive Orders, such as the Endangered Species Act (ESA), apply to the SAAPs and programs in the STAG account authorized by the Agency's FY 2008 Appropriations Act. The applicable NEPA regulations are the Council of Environmental Quality's implementing regulations at 40 CFR Parts 1500-1508 and EPA's NEPA regulations at 40 CFR Part 6.

EPA revised regulations that implement NEPA for EPA actions on October 19, 2007. These regulations replace all previous guidance and memoranda. In accordance with EPA's revised NEPA regulations, EPA must complete the NEPA process before a grant award for construction. However, the development of information needed to determine compliance with NEPA and other cross-cutting Federal requirements is an allowable cost that can be included in the scope of work of a grant for planning and design.

It should be noted that NEPA and other cross-cutting Federal requirements that apply to the major Federal action (i.e., the approval and/or funding of work beyond the conceptual design point) cannot be delegated. Although EPA may fund the grantee or state/tribal development of an Environmental Information Document (EID) or other analysis for cross cutting authorities or executive orders in order to provide supporting information, EPA has the legal obligation to issue the NEPA documents, to sign NEPA determinations, and to fulfill other cross-cutting Federal requirements before approving or paying for design and/or construction. However, EPA grant funds cannot be used to prepare a federal document, such as an Environmental Assessment or Environmental Impact Statement.

[7]This document is available on the internet at www.epa.gov/owm/mab/owm0326.pdf.

When both EPA and another Federal agency are funding the same project, the agencies may negotiate an agreement for one to be the lead agency for performing grant oversight and management activities, including those related to NEPA and other cross-cutting Federal requirements. The lead agency can be the one which is providing the most funds for the project, or the agency that provided the initial funds for the project. If an environmental impact statement (EIS) is required, EPA should be a co-lead or cooperating agency so that it can adopt the EIS without recirculating it. If the project requires an environmental assessment (EA), EPA may adopt the other agency's EA and use it as a basis for its finding of no significant impact (FONSI), provided EPA has independently reviewed the EA and agrees with the analysis and circulates the FONSI and attached EA for the requisite 30 day comment period. Note that EPA may not use a categorical exclusion of another Federal agency unless EPA's regulations at 40 CFR Part 6 also provide for the categorical exclusion.

**OPERATING GUIDELINES**

The authority for awarding grants for the SAAPs listed in Attachment 1 is P. L. 110-161, the "Consolidated Appropriations Act, 2008."

The Catalog of Federal Domestic Assistance (CFDA) number for the SAAPs is 66.202 "Congressionally Mandated Projects." The Object Class Code (budget and accounting information) for the SAAPs is 41.92. Applicants should use Standard Form 424 (OMB Number: 4040-0004) to apply for the grants.

Grants Involving Geospatial Information

In accordance with OMB Circular A-16 and the One-Stop Geospatial E-gov Initiative, Program Offices must indicate in the funding recommendation for a proposed assistance agreement that the grant involves or relates to geospatial information. Geospatial information includes information that identifies the geographic location and characteristics of natural or constructed features or boundaries on the Earth, or applications tools, and hardware associated with the generation, maintenance, or distribution of such information. The information may be derived from, among other things, GPS, remote sensing, mapping, charting, and surveying technologies, or statistical data.

Grants to Non-Profit Organizations

Funds appropriated under the STAG account can, if the situation warrants, be used for grants to nonprofit organizations. However, grants cannot be awarded to a nonprofit organization classified by the Internal Revenue Service as a 501(c)(4) organization unless that organization certifies that it will not engage in lobbying activities, even with their own funds (see Section 18 of the Lobbying Disclosure Act, 2 U.S.C.A § 1611). The rationale for any award to a nonprofit organization should be clearly explained, suitably documented, and included in the project file.

Additionally, EPA Order 5700.8, "Assessing Capabilities of Non-Profit Applicants for Managing Assistance Awards[8]," requires programmatic and administrative capability determinations be made for each monetary action for a non-profit recipient. Further, if the award is for more than $200,000 in federal funds, the applicant may be required to complete an "EPA Administrative Capability Questionnaire" and submit supporting documentation demonstrating sufficient administrative capability to successfully manage the agreement. The inability to successfully demonstrate either programmatic or administrative capability under the Order may result in the Agency not making an award.

Grants to Private For-Profit Entities

Funds appropriated under the STAG account may be used for grants to private for-profit entities, such as a privately owned drinking water company, when the language contained in the Conference Report clearly indicates that intention. The specific requirements for awarding a grant to a private for-profit entity will be addressed in a policy memorandum in the future, if necessary.

Grant Recipient

The Agency's FY 2006 Appropriations Act included the following language pertaining to the identification of the grantee:

> "notwithstanding this or any other appropriations Act, heretofore and hereafter, after consultation with the House and Senate Committees on Appropriations and for the purpose of making technical corrections, the Administrator is authorized to award grants under this heading to entities and for purposes other than those listed in the joint explanatory statements of the managers accompanying the Agency's appropriations [sic] Acts for the construction of drinking water, wastewater and stormwater infrastructure and for water quality protection."

Therefore, if the grantee is specified, such as a local water quality department, any change to the grantee must be submitted to EPA Headquarters in accordance with SAAP memo 06-01 (attachment 7, issued 10/26/05). Additionally, any change to the named grantee, such as from a county to town, or from one town to another, must also be submitted in accordance with SAAP memo 06-1. The only circumstance in which EPA Headquarters approval is not needed is if the intended grantee is an agency of the specified grantee. For instance, if the grantee is listed as Anytown, USA, but the intended grantee is the Anytown Department of Water Quality, the grant may be made to the intended grantee without EPA Headquarters approval. EPA's Office of General Counsel has agreed that in circumstances where information is missing, EPA has the discretion to determine the appropriate grantee.

[8] The Order may be found at: http://intranet.epa.gov/ogd/policy/order/5700_8.pdf. For the public, the order may be found at www.epa.gov/ogd/grants/award/5700_8.pdf.

This provision does not apply to the United States-Mexico Border Program grants or any other funds in the STAG account.

Ownership Requirements

With the exception of small, on-site/decentralized wastewater treatment systems, which are discussed later in this section, only wastewater and drinking water infrastructure facilities that are or will be owned by the grant or subgrant recipient are eligible for grant funding. This means that house laterals (the sewer line from the collection system to the house) and drinking water service lines (the line from the drinking water distribution system to the house) must be owned by the grantee or subgrantee in order for these facilities to be eligible for grant funding. The ownership requirement applies to new construction, as well as the rehabilitation of existing facilities, and to infiltration/inflow correction associated with existing sewer lines, including house laterals. The grantee or subgrantee can have ownership by either fee simple title, by the issuance of an enforceable easement with right of access, or other suitable authority such as an ordinance assuring right of access for such purposes as inspection, monitoring, building, operation, rehabilitation and replacement. Since the grantee or subgrantee has ownership of these facilities, the grantee or subgrantee would be responsible for the operations and maintenance of those facilities for the life of those facilities. Additionally, the grantee or subgrantee could not transfer ownership of the facilities to any entity without written approval from EPA.

In those rare situations where a grant or subgrant is awarded to a governmental or nonprofit entity that does not have the legal authority to own or operate drinking water, wastewater, or groundwater protection infrastructure facilities, and the grant includes the construction or acquisition of infrastructure facilities, that entity can transfer ownership of the grant funded infrastructure facilities with the approval of EPA. In all cases, the receiving entity must have the managerial and legal capability to assume all of the relevant responsibilities associated with the ownership of an EPA grant funded infrastructure facility, including any special conditions contained in the original grant agreement. Generally, EPA's approval to transfer ownership should be incorporated into the grant award document in the form of a special term and condition.

On-Site Systems

For small, privately-owned, on-site/decentralized wastewater treatment systems, such as a septic system or individual drinking water wells, an eligible applicant may apply for a grant to build or renovate these privately-owned systems. In such cases the applicant must:

- demonstrate that the total cost and environmental impact of building the decentralized system will be less than the cost of a conventional system;

- certify that ownership by a public entity or a suitable non-profit organization (such as a home owners' association or cooperative) is not feasible and list the reasons;

- certify that the treatment facilities will be properly operated and maintained for the life of the facilities; and

- provide assurance of access to the systems at all reasonable times for such purposes as inspection, monitoring, building, operation, rehabilitation and replacement.

Intermunicipal Projects and Service Agreements

Although a SAAP grant may be awarded to one entity, the successful operations of the grant funded project may depend on the support and cooperation of other entities, municipalities, or utility districts. This is especially evident when one entity is providing wastewater treatment services or supplying drinking water to another entity. Accordingly, for projects involving interactions between two or more entities, the applicant should provide assurances that the grant funded project will function as intended for its expected life. Adequate assurance may be met through the creation of special service districts, regionalization of systems, or intermunicipal service agreements.

Special service districts and regionalization of systems are considered to be obligations in perpetuity to serve the customers of the newly created authority and automatically meet the expected lifetime requirements. The intermunicipal service agreement or contract is a legal document for cooperative ventures between separate entities, both of which wish to continue functioning with a large degree of independent control in their respective service areas. Such agreements will need to extend for a minimum number of years for an EPA funded project to be considered viable. For the purposes of SAAPs and STAG programs, EPA will accept the following contract lifetimes as meeting the minimum standard[9]:

| ITEM | LIFE (years) |
|---|---|
| • Land | Permanent |
| • Wastewater/Water Conveyance Structures: collection systems, pipes, interceptors, force mains, tunnels, distribution lines, etc. | 40 |
| • Other Structures: plant buildings, concrete tankage, basins, | |

[9]The anticipated useful life of the facility components is based on the low end of the assumed service life for items in EPA's Construction Grants Program and past experience with the award and administration of special Appropriations Act projects.

| | |
|---|---|
| lift station and pump station structures, inlet structures, etc. | 30 |
| • Wastewater and Drinking Water Process Equipment | 15 |
| • Auxiliary Equipment | 10 |

A shorter time frame may be accepted if suitably justified and approved by EPA. Additionally, should a SAAP project include more than one of these components at a facility, then the minimum number of years will be 40 years.

Non-Construction Costs

The scope of work of a grant may include planning, design and administrative activities, and the cost of land. Land need not be an "integral part of the treatment process" as in the Clean Water Act title II construction grant program. However, all elements included within the scope of work of the grant must conform to the requirements of 40 CFR Parts 30 or 31. This means, if planning, design and administrative activities are included in the grant, the procurement of those services and the contracts must comply with the applicable sections of Parts 30 or 31. If land is included, there will be a Federal interest in the land regardless of when it was purchased and the purchase must be (must have been) in accordance with the applicable sections of Parts 30 or 31 and the Uniform Relocation Assistance and Real Property Acquisition regulations for Federal and Federally assisted programs at 49 CFR Part 24.

Refinancing

Funds appropriated for the SAAPs may not be awarded solely to repay loans received from SRF Programs or other indebtedness unless there are explicit instructions to do so in the Appropriations Act or accompanying reports, or the facts of the case are such that this is the only way to award the funds that were appropriated for the project. Any request to use SAAP grant funds to repay a loan, in whole or in part, must be approved, in writing, by EPA Headquarters. The request, with sufficient supporting documentation, should be submitted to the Chief, State Revolving Fund Branch, (Mail Code 4204M), USEPA, 1200 Pennsylvania Avenue NW, Washington, D.C. 20460.

Definitions

In the context of determining that the scope of work of the grant is in conformance with the project description contained in Attachment 1, the word ‘water’ can be considered to mean: drinking water, wastewater, storm water or combined sewer overflow. Furthermore, the words ‘and’ & ‘or’ as used in the project description are interchangeable. Additionally, the phrases ‘sewer project,’ ‘sewer improvements,’ ‘sewer upgrade,’ ‘sewer development,’ ‘sewer expansion,’ ‘sewer system,’ ‘plant project,’ ‘plant upgrade,’ or ‘plant expansion’ are considered broad enough to include all aspects of the upgrade, expansion and development of a complete

wastewater treatment system as defined at 40 CFR 35.2005(12). Comparable phrases concerning the project descriptions for drinking water facilities should be similarly interpreted.

## GRANTS MANAGEMENT: ENVIRONMENTAL RESULTS UNDER EPA ASSISTANCE AGREEMENTS

### Introduction

EPA Order 5700.7[10], 'Environmental Results Under Assistance Agreements,' applies to all funding packages/funding recommendations submitted to the Grants Management Offices after January 1, 2005. The Order requires EPA Program Offices to: 1) link proposed assistance agreements to the Agency's Strategic Plan/Government Performance and Results Act (GPRA) architecture; 2) ensure that outputs and outcomes are appropriately addressed in assistance agreement work plans[11] and funding recommendations; and 3) ensure that progress in achieving agreed-upon outputs and outcomes is adequately addressed in recipient progress reports and advanced monitoring activities.

### The Strategic Plan/GPRA Architecture

EPA's *2006-2011 Strategic Plan*[12] sets out five long-term goals for the five-year period. Each of these five goals is supported by a series of objectives and sub-objectives that identify, as precisely as possible, what environmental outcomes or results the EPA seeks to achieve within a defined time frame using resources expected to be available. The objectives and sub-objectives established in EPA's Strategic Plan are part of the 'GPRA architecture' that is used to measure the EPA's progress in meeting its strategic goals.

Program offices must include in the funding package for a proposed assistance agreement a description of how the project fits within the EPA's Strategic Plan/GPRA architecture. In developing the aforementioned descriptions, a project officer must list all applicable EPA strategic goals and objectives and, where available, sub-objectives in the Strategic Plan/Program Results Code (PRC) crosswalk in the funding recommendation. The project officer must ensure that the PRC(s) listed on the commitment notice is consistent with the selected strategic goals, objectives and sub-objectives.

### Environmental Results: Outputs and Outcomes

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[10]The Order is available on the **EPA intranet** at http://intranet.epa.gov/ogd/policy/order/5700.7.pdf. The public may obtain a version at www.epa.gov/ogd/grants/award/5700_7.pdf.

[11]For construction projects, output/outcome information can be typically found in a Facility Plan, Preliminary Engineering Report, or an Environmental Information Document but should be incorporated into the workplan as a narrative. Should these documents not exist at the time of grant application then the grantee should qualify and/or quantify outputs and outcomes in the workplan to the best extent possible.

[12]The Strategic Plan is available on the internet at www.epa.gov/ocfo/plan/2006/entire_report.pdf.

The term ‘output’ means an environmental activity, effort, and/or associated work products related to an environmental goal or objective that will be produced or provided over a period of time or by a specified date. See EPA Order 5700.7. Outputs may be quantitative or qualitative but must be measurable during an assistance agreement funding period. Outputs reflect the products and services provided by the recipient, but do not, by themselves, measure the programmatic or environmental results of an assistance agreement. Examples of outputs for SAAPs are:

- Number of additional homes (or equivalents) provided adequate wastewater treatment (can be centralized or decentralized).

- Number of additional homes (or equivalents) provided safe drinking water.

- Percent improvement in infrastructure reliability and maintenance (e.g., collection and distribution system improvements, pump replacement, improvements at wastewater treatment or drinking water facilities plant, upgrade, expansion, integrity, reduction of infiltration/inflow, etc.).

- Capacity (MGD) of newly constructed wastewater treatment plant.

- For expansion of an existing wastewater treatment plant, increase in capacity (MGD) of plant.

- For upgrade of an existing wastewater treatment plant, new level of treatment provided.

- Storage (MG) provided by newly constructed drinking water tank.

- Storage (MG) provided by new reservoirs.

- Population served by new construction.

- Feet of sewer lines replaced.

- Feet of sewer lines extended.

- Feet of water lines replaced.

- Feet of water lines extended.

- Wet weather improvement:

    - Estimated number of combined sewer overflows (CSOs) reduced.

  - Estimated amount (e.g., million gallons per year) of untreated wastewater not discharged as a result of CSO improvements.
  - Number of sanitary sewer overflows reduced.
  - Storm water improvements.

- Environmental restoration improvements.

- Enhanced security improvements to wastewater or drinking water facilities.

The term 'outcome' means the result, effect or consequence that will occur from carrying out an environmental program or activity that is related to an environmental or programmatic goal or objective. See EPA Order 5700.7. Outcomes may be environmental, behavioral, health-related or programmatic in nature, must be quantitative, and may not necessarily be achievable within an assistance agreement funding period. There are two major types of outcomes - end outcomes and intermediate outcomes. End outcomes are the desired end or ultimate results of a project or program. They represent results that lead to environmental/public health improvement. Intermediate outcomes are outcomes that are expected to lead to end outcomes but are not themselves 'ends.' Given that the end outcomes of an assistance agreement may not occur until after the assistance agreement funding period, intermediate outcomes realized during the funding period are an important way to measure progress in achieving end outcomes.

Program offices must include in the funding recommendation for a proposed assistance agreement an assurance that the program office has reviewed, or will review, the assistance agreement work plan[13] and that the work plan includes, or will include, well-defined outputs and, to the maximum extent practicable, well-defined outcomes.

The CWSRF program has finalized a 'Benefits Assessment' format for individual projects, see Attachment 6. This format can be used to measure 'outcomes' for the SAAPs. Accordingly, the Regions can include the information contained in Items 1, 2, 3,and 4 of Attachment 6 as a means for measuring and reporting outcomes.

Environmental Results: Review of Recipient Performance Reports

EPA Order 5700.7 also establishes requirements for program office review of construction and non-construction interim and final recipient performance reports for progress in achieving outputs and outcomes contained in assistance agreement work plans. Under 40 CFR Parts 30 and 31, EPA may require recipients to submit performance/progress reports as frequently as quarterly but no less frequently than annually. These regulations also require recipients to provide the EPA with an acceptable final performance report within 90 days of the project end date. While performance reports are one way for the EPA to obtain information on a

[13]See Footnote 12, supra.

recipient's progress toward achievement of agreed-upon outputs and outcomes, program offices may also conduct mid-year and end-of-year reviews to evaluate recipient performance.

The review of recipient performance reports is largely the responsibility of the EPA project officer. The project officer must review interim[14] and final[15] performance reports to determine whether they adequately address the achievement of agreed-upon outputs/outcomes, including providing a satisfactory explanation for insufficient progress or a failure to meet planned accomplishments (when compared with the most recently approved project schedule and completion dates for project milestones). This review must be documented in the official project file. If a report does not adequately address the achievement of outputs/outcomes, the project officer should seek further explanation from the recipient and require appropriate corrective action.

Award officials must use the following special conditions in all assistance agreements requiring performance reports to provide a comparison of actual accomplishments to agreed-upon outputs/outcomes:

*Required special conditions for assistance agreements to State and local governments:*

*In accordance with 40 CFR. ' 31.40, the recipient agrees to submit performance reports that include brief information on each of the following areas: 1) a comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement work plan for the period; 2) the reasons for slippage if established outputs/outcomes were not met by the agreed upon or scheduled date; and 3) additional pertinent information, including, when appropriate, analysis and information of cost overruns or high unit costs.*

*In accordance with 40 CFR. ' 31.40(d), the recipient agrees to inform EPA as soon as problems, delays or adverse conditions become known which will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan.*

[14]For construction projects, on-site technical inspections and certified percentage of construction data meet the interim reporting requirements, see 40 CFR 31.40(c).

[15]For construction projects, the final inspection report or other final performance report should include a comparison of the actual outcomes/outputs with those incorporated into the assistance agreement.

*Required special conditions for assistance agreements to institutions of higher education and other non-profit organizations:*

*In accordance with 40 CFR '30.51(d), the recipient agrees to include in performance reports submitted under this agreement brief information on each of the following areas: 1) a comparison of actual accomplishments to the outputs/outcomes specified in the assistance agreement work plan and scheduled or established for the period; 2) reasons why anticipated outputs/outcomes were not met; and 3) other pertinent information, including, when appropriate, analysis and information of cost overruns or high unit costs.*

*In accordance with 40 CFR ' 30.51(f), the recipient agrees that it will notify EPA of problems, delays or adverse conditions which materially impair the ability to meet the outputs/outcomes or objectives of the award specified in the assistance agreement work plan and what corrective actions are being contemplated to resolve the situation.*

Environmental Results: Advanced Monitoring (On-Site Reviews or Desk Reviews)

EPA Order 5700.6A2 directs program offices, when conducting on-site reviews or desk reviews to include an assessment of the recipient's progress in achieving the outputs and outcomes set forth in the assistance agreement work plan.[16] If the assessment reveals significant problems in meeting agreed-upon outputs/outcomes, the project officer must require the recipient to develop and implement an appropriate corrective action plan and implementation schedule. The results of the assessment must be documented in the Grantee Compliance Database in a format determined by the Director of the National Policy, Training and Compliance Division.

**GRANTS MANAGEMENT: OTHER REQUIREMENTS**

Grants awarded under the authority of an Appropriations Act are subject to assistance agreement regulations, OMB cost principles and Agency policies. The SAAP grants must be awarded and managed as any other assistance agreement. OGD has developed Orders, Grants Policy Issuances (GPIs), and grant guidance documents to assist project officers and Program Offices to understand and meet the requirements (available on the Grants Intranet website at http://intranet.epa.gov/ogd/policy/policy.htm). Several grant requirements are discussed in further detail below.

Cost Review Requirements

A specific cost review checklist was developed for SAAPs, and is now available at http://intranet.epa.gov/ogd/cost_review/main/index.htm for project officer use. The checklist applies to all funding packages/funding recommendations submitted after October 1, 2007.

[16]See Footnote 12, supra.

Subaward Policy

OGD added a section to the Assistance Administration Manual 5700 outlining Agency policy on the award and management of subawards, *"Policy on Subawards Under Assistance Agreement"*. The policy applies to subaward work under awards and supplemental amendments issued after May 15, 2007. The policy clarifies subrecipient eligibility, addresses subaward competition requirements, and provides guidance regarding the distinctions between procurement contracts and subawards. It also includes special considerations regarding subawards to 501(c)(4) and for-profit organizations, and subawards to foreign/international organizations or any entity performing work in a foreign country. The policy is primarily implemented through an administrative National Term and Condition for Subawards. The subaward policy can be found at http://intranet.epa.gov/rmpolicy/ads/updates.htm (under Update 3).

Post-Award Management: Baseline and Advanced Monitoring

EPA Order 5700.6A2, issued September 24, 2007, which went into affect on January 1, 2008,[17] streamlines post-award management of assistance agreements and helps ensure effective oversight of recipient performance and management. The Order encompasses both the administrative and programmatic aspects of the Agency's financial assistance programs. It requires each EPA program office providing assistance to develop and carry out a post-award monitoring plan, and conduct annual baseline monitoring or the equivalent, for every award. From the programmatic standpoint, advanced monitoring (on-site reviews or desk reviews) should ensure satisfaction of five core areas: (1) compliance with all programmatic terms and conditions, (2) correlation of the recipient's work plan/application and actual progress under the award, (3) availability of funds to complete the project, (4) proper management of and accounting for equipment purchased under the award, and (5) compliance with all statutory and regulatory requirements of the program. If during monitoring it is determined that there is reason to believe that the grantee has committed or commits fraud, waste and/or abuse, then the project officer must contact the Office of the Inspector General.

All baseline monitoring activities must be documented in the Integrated Grants Management System (IGMS) Post-Award Database. OGD has agreed that the semi-annual or annual inspection for a SAAP project is equivalent to a baseline monitoring activity. Project Officers must indicate in the Post-Award Database that a semi-annual or annual inspection has been completed for the SAAP project by checking the box for SRF/SAAPs under the Alternatives Completed in Lieu of Baseline Monitoring section and attaching the relevant documentation. Advanced monitoring activities must be documented in the official grant file and in the Grantee Compliance Database. The EPA Order applies to the projects identified in Attachment 1.

[17]The Order is available on the **EPA intranet** at http://intranet.epa.gov/OGD/policy/order/5700_6A2.pdf.

In addition to the general requirements contained in the EPA Order, the following types of activities, which are directly related to construction projects, should be considered in the development of a post-award monitoring plan:

- Review periodic payment requests.
- Compare actual completion percentages and milestones with the approved project schedule
- Compare actual costs incurred with the approved project budget
- Conduct interim inspections.
- Review change orders and claims.
- Review and approve final payment requests.
- Determine that the project is capable of meeting the objectives for which it was planned, designed and built and is operational

Many of these activities can be performed by a State, the Corps of Engineers or a contractor, and as such, are eligible for funding under the three percent set-aside provision. Inspections should be performed in sufficient frequency by the State, Corps of Engineers, or contractor to provide adequate oversight of the project. The goal is to inspect projects once a year during the construction phase of the project.

**PROJECT OFFICER RESPONSIBILITIES**

A directive in the Assistance Administration Manual 5700 outlines roles and responsibilities for all EPA staff with grants management responsibilities and is available at http://intranet.epa.gov/OGD/policy/11.0-Roles-Topics.htm.

The project officers must review the grant application to determine that:

- the scope of work of the grant is clearly defined;
- the scope of work is in conformance with the project description contained in Attachment 1;
- project schedule and milestones are addressed;
- there is a clearly stated environmental or public health objective;
- there is a narrative description of anticipated outputs and outcomes;
- the applicant has the programmatic capability to successfully manage the project;
- it is expected that the project will achieve its objective(s); and
- the costs are necessary, reasonable, and allocable to the project.

Grant applications should be processed in a timely manner, but the applications should be carefully reviewed and the grant awarded only when it is prudent to do so. Additionally, the Regions may impose reasonable requirements through grant conditions in those situations considered necessary.

On January 20, 2006, OGD issued Interim Guidance "Assessing Grants Management Performance under the Performance Appraisal and Recognition Systems (PARS)". On January 17, 2008 OGD issued another memorandum, "Guidance for Addressing Grants Management and the Management of Interagency Agreements under the Performance Appraisal and Recognition System (PARS)" (http://intranet.epa.gov/ohr/policy/pars/2008_pars.htm). OGD issued the guidance for consideration in assessing grants project officer and supervisor/manager compliance with key grants management policies under the 2007 PARS process, developing 2008 PARS performance agreements and conducting 2008 mid-year and end-of-year performance reviews. In addition, OGD provided a two-page Manager's Guide to facilitate discussions with project officers while reviewing their grants management performance under PARS (Attachment C to the January 17, 2008 memorandum).

**PROJECT MANAGEMENT RESOURCES**

You should invite State agencies to participate as much as possible in the pre-application, application review, and grant administration process.

Legislative language in the Agency's FY 1997 Appropriations Act authorized the use of Title II deobligations for State administration of special Appropriations Act ***wastewater*** projects, coastal/needy cities projects and construction grant projects. The guidance document on the implementation of this provision was issued by the Director, Municipal Support Division, on December 3, 1996 .[18] This provision does not apply to the United States-Mexico Border Program grants or any other funds in the STAG account.

States may also use funds awarded under Section 106 of the Clean Water Act (P. L. 92-500) for activities associated with these special projects provided Section 106 program officials agree.

The Agency's FY 2001 Appropriations Act states that "the Administrator may use up to 3 percent of the amount of each project appropriated to administer the management and oversight of construction of such projects through contracts, allocation to the Corps of Engineers, or grants to States." Regardless of the means used to administer the management and oversight of project construction, EPA is ultimately responsible for the project grant and must provide oversight of the project management resource used (contractor, Corps of Engineers, or State). For contractors and the Corps of Engineers, EPA personnel will have direct involvement and oversight of these resources. In the case of States receiving three percent set-aside grants, the EPA regional office should conduct annual State visits to monitor overall management and oversight of project grants. A discussion of the three percent set-aside provision is contained on page two of this memorandum.

[18]This document is available on the internet at www.epa.gov/owm/mab/owm0328.pdf.

## VOLUNTARY ENVIRONMENTAL INITIATIVES

Introduction

The following sections describe various Agency initiatives targeting the water infrastructure sector, both drinking water and wastewater, and may be applicable to certain water quality management activities. Since SAAPs are typically water infrastructure and water quality protection projects, these initiatives are listed here to inform SAAP grant recipients of their purpose in addressing key water infrastructure and quality issues. Incorporating these initiatives into SAAPs is strictly voluntary but may be considered where possible in order to produce better outputs and more effective environmental results.

The voluntary environmental initiatives discussed below are eligible for funding with SAAP funds only if the specific voluntary initiative activity selected by the recipient falls within the scope of the project as defined by Congress. Applicants that are interested in including one or more of the voluntary initiative activities in their workplan should discuss the matter with their regional project officer to determine eligibility of the activity.

### Sustainable Water Infrastructure

As the country's water infrastructure ages, we are facing a looming crisis in replacing and maintaining the systems that protect the quality of our drinking water and our streams. Deferred maintenance, crumbling systems and a gap between revenues and long term costs are presenting an increasing challenge to the utilities and communities that provide us safe and clean water. As a result, EPA has been pursuing a Sustainable Water Infrastructure Initiative in an attempt to raise the visibility of the challenges and to affect a change towards more sustainable practices.

In May 2007, EPA and six national water and wastewater associations signed an agreement to jointly promote effective utility management based on a series of *10 Attributes of Effectively Managed Utilities and other Keys to Management Success.* For the first time, this Agreement provides utilities with a common management framework to evaluate and pursue management improvements in all facets of utility operations. In order to supplement the Agreement, EPA and the Associations are now developing 1) a basic implementation guide for utilities to follow, 2) a series of suggested utility-specific performance measures linked to the Attributes and Keys to Management Success, and 3) an electronic resource "toolbox" that provide utilities with easy access to various guides and other resources linked to the Attributes. These additional implementation tools will be available in spring, 2008.

A copy of the Agreement signed by EPA and the Associations and the final report from the Utility Steering Committee are available at www.epa.gov/waterinfrastructure. EPA recommends that all SAAP applicants read this important report and use it as a tool to guide improvements to their utility.

Below is a summary of some of the areas where action is needed if we are to sustain our water systems for the long term. EPA strongly encourages that the principles and approaches outlined here be considered by those receiving special appropriations for water, wastewater, stormwater, or water quality protection projects. Doing so will not only help utilities in the long run, but in many cases actually reduce costs in the short term.

**Environmental Management Systems**

An Environmental Management System ("EMS") is a comprehensive management system for identifying, monitoring, and managing activities that have potential environmental impacts. An EMS provides structure and consistency for overseeing daily activities that shift the environmental focus from reactive to proactive and from focusing exclusively on regulatory compliance to focusing on continual environmental performance in all operations.

The implementation of an EMS at water and wastewater utilities can result in increased efficiency, reduced costs and greater operational consistency; improved ability to meet environmental compliance requirements; improved succession planning; and better relationships with regulators.

EPA recognizes that EMSs are a relatively new concept for many water and wastewater utilities, and that developing an EMS is often the greatest challenge facing utilities seeking recognition in Performance Track and similar state programs. Working with utilities that have successfully implemented an EMS, EPA has developed a number of state-of-the-art tools to help wastewater utilities understand the benefits of adopting an EMS. These tools have been compiled in an EMS Toolbox, and are available free of charge at www.peercenter.net. These tools include:

- EMS Handbook for Wastewater Utilities
- EMS Compendium for Wastewater Utility Managers
- Case studies on successful EMS implementation at wastewater and water utilities

A similar implementation guide for water utilities, *Environmental Management Systems: A Tool to Help Water Utilities Manage More Effectively*, is available at www.awwarf.org.

**Asset Management**[19]

Asset management ("AM") processes help utilities inventory the condition, age, service history and estimated useful life of each asset - and then prioritize assets based on criteria that include: remaining useful life; criticality of the asset; failure probability; cost; actual or potential risk to public health or environment; customer demands and improved operations.

During initial AM implementation, the data and information collected helps build asset management plans that document preventive maintenance schedules, data collection instructions, operational controls and work instructions, performance monitoring requirements, quality control processes, necessary funding reserves for rehabilitation/replacement, etc.

The five major steps of developing an asset management system are based on answering the following questions:

1) What is the current state of my assets?
2) What is my required level of service?
3) Which assets are critical to sustained performance?
4) What are my best O&M and capital improvement strategies?
5) What is my best long term funding strategy?

Through preventative maintenance and prioritization of rehabilitation and replacement, Asset Management can improve the efficiency of operations and reduce the long term costs of providing service. Here are a few links to help you learn more and get started in Asset Management:

EPA's Asset Management web site
http://www.epa.gov/owm/assetmanage/index.htm

Asset Management: A Handbook for Small Water Systems
http://www.epa.gov/safewater/smallsys/pdfs/guide_smallsystems_asset_mgmnt.pdf

[19] An issue related to asset management is "Full Cost Pricing". When measured as a percentage of household income, the U.S. pays less for water/wastewater bills than other developed countries. Because of this, the public has been led to believe that water is readily available and cheap. Thinking in this area needs to shift to meet our essential infrastructure needs. Pricing that recovers the costs of building, operating, and maintaining a system is absolutely essential to achieving sustainability. Drinking water and wastewater utilities must be able to price their services to reflect the full costs of treatment and delivery. While this activity is not eligible for funding under SAAP grants, wastewater and water facilities are encouraged to consider their pricing structure.

EPA has brought together information and tools on water and wastewater pricing which can be found at http://www.epa.gov/waterinfrastructure/pricing/index.htm.

The Environmental Finance Center at Boise State, Idaho also provides free "Rate CheckUp" software which may be useful. http://sspa.boisestate.edu/efc/Tools_Services/RATECheck/ratecheck.htm

**Water Efficiency**

Water Efficiency can make infrastructure systems more sustainable by reducing the quantity of water treated and distributed through water and wastewater systems. Water withdrawn from the environment for human use must be used wisely and effectively, and successfully perform its intended function while using only the practical minimum amount of water. EPA is promoting an ethic of improving water use practices to increase efficiency, eliminate waste, and conserve water resources, resulting in a decreased burden on our infrastructure.

The WaterSense program, http://www.epa.gov/watersense, works to enhance the market for water efficient products by labeling those products which perform as well as their less efficient counterparts. Promoting water efficiency in communities is important to long term sustainability.

Also, a tremendous amount of drinking water is lost from aging and leaky distribution pipes. By addressing water loss from a distribution system, utilities can reduce the burden on our treatment systems and recover the cost of more of the clean water that they provide.

**Watershed Approaches to Infrastructure**

There are a variety of watershed-based approaches to infrastructure management which can achieve cost efficiency while producing the same or better water quality results, as well as ancillary benefits. To move towards a sustainable future, utilities will need to look beyond their 'fence lines' and traditional approaches to adopt practices that will help move their systems toward being managed in a sustainable manner while ensuring protection of water quality.

For example, the use of **Green Infrastructure** to manage wet weather employs site-specific best management practices (BMPs) that are designed to maintain natural hydrologic functions by absorbing and infiltrating precipitation where it falls. Examples include rain gardens, swales, porous pavements, and green roofs. Green Infrastructure can reduce our reliance on traditional stormwater structures (i.e. pipes, channels, and treatment plants) that are increasingly expensive to build, operate and maintain. In addition, green infrastructure has numerous other benefits such as the protection of surface water quality and drinking water supplies, mitigation of urban heat islands effects, reductions in energy demand (and resulting mitigation of greenhouse gas emissions), and the protection of highly valued natural habitats, forests, and agricultural lands. More information can be found at http://cfpub.epa.gov/npdes/home.cfm?program_id=298.

**Source water protection** is another watershed approach that can reduce the need for or burden on water infrastructure. Protecting drinking water sources usually requires the combined efforts of many partners in a watershed, such as public water systems, communities, resource managers and the public. Information on source water protection can be found at http://cfpub.epa.gov/safewater/sourcewater.

Additional details on the Sustainable Infrastructure Initiative can be found at www.epa.gov/waterinfrastructure. Please See Attachment 9 for the brochure entitled, "Sustaining Our Nation's Water Infrastructure."

**ACTIONS**

If you have not already done so, you and your staff should initiate discussions with the appropriate grant applicants to develop a detailed scope of work and to explain the grant application and review process. Additionally, the grant applicant should be provided with a copy of this memorandum prior to grant award to ensure that the applicant is on notice of the applicable requirements before the grant is awarded.

If you have any questions concerning the contents of this memorandum, you may contact me, or have your staff contact George Ames, Chief, State Revolving Fund Branch, Municipal Support Division, at (202) 564-0661.

Attachments

cc: Municipal Construction Program Managers, Regions I – X
Regional NEPA Contacts, Regions I – X
Stefan Silzer, NPTCD
Ed Walsh, OCFO

# ATTACHMENT 1

**SPECIAL WATER AND WASTEWATER INFRASTRUCTURE PROJECTS (STAG ACCOUNT)**
**INCLUDED IN EPA'S FY 2008 APPROPRIATIONS ACT**

| | Line Item # | State | Earmark Designation | Conference Report Earmark Amount | Final Amount* |
|---|---|---|---|---|---|
| Region 1 | 38 | CT | The Town of Enfield for sanitary sewer inflow elimination project | $300,000 | $286,000 |
| | 39 | CT | The City of Southington for wellhead cleanup | $300,000 | $286,000 |
| | 40 | CT | The City of Stamford for Stormwater and Wastewater Infrastructure | $500,000 | $477,000 |
| | 41 | CT | The Town of Colchester for the Flatbrook Road Booster Station | $500,000 | $477,000 |
| | 42 | CT | The Town of Prospect for the College Farms Subdivision | $138,000 | $132,000 |
| | 43 | CT | The Town of Wolcott for Storm Drainage and Other Infrastructure | $500,000 | $477,000 |
| | 110 | MA | The City of Brockton for wastewater system improvements | $300,000 | $286,000 |
| | 111 | MA | The City of Marlborough for wastewater treatment plant upgrades | $300,000 | $286,000 |
| | 112 | MA | The Cities of Fall River and New Bedford and the Town of Acushnet for Bristol County Sewer Improvements | $500,000 | $477,000 |
| | 113 | MA | The City of West Springfield, Pioneer Valley Planning Commission for the Connecticut River Combined Sewer Overflow Clean-up | $1,400,000 | $1,337,000 |
| | 114 | MA | The Town of Winthrop for Storm Drain Remediation | $500,000 | $477,000 |
| | 120 | ME | The City of Presque Isle for wastewater treatment plant relocation project | $300,000 | $286,000 |
| | 121 | ME | The City of Ellsworth for wastewater treatment relocation project | $300,000 | $286,000 |
| | 161 | NH | The City of Manchester for stormwater facilities construction project | $500,000 | $477,000 |
| | 162 | NH | Goffstown for Danis/Lynchville Water and Sewer Project | $300,000 | $286,000 |
| | 163 | NH | Lancaster for drinking water improvements project | $225,000 | $215,000 |
| | 164 | NH | The Town of Jaffrey for wastewater and water quality protection project | $300,000 | $286,000 |
| | 165 | NH | The City of Greenfield for wastewater treatment project | $300,000 | $286,000 |
| | 228 | RI | The City of East Providence for Nutrient Removal | $700,000 | $669,000 |
| | 229 | RI | The City of Warwick for water transmission system improvements | $500,000 | $477,000 |
| | 230 | RI | The City of Newport for water pollution control management | $300,000 | $286,000 |
| | 258 | VT | The Town of Pownal for wastewater upgrades | $750,000 | $716,000 |
| | 259 | VT | The Town of Hardwick for water system upgrades | $500,000 | $477,000 |
| | | | | **$10,213,000** | **$9,745,000** |
| Region 2 | 166 | NJ | The Bayonne Municipal Utilities Authority for combined sewer overflow improvements | $400,000 | $382,000 |
| | 167 | NJ | Passaic Valley Sewer Commission for Water and Wastewater Infrastructure Improvements | $500,000 | $477,000 |
| | 168 | NJ | Pennsauken Township for combined sewer study | $200,000 | $191,000 |
| | 169 | NJ | The Kearny Municipal Utilities Authority for wastewater pumping station improvements | $300,000 | $286,000 |
| | 170 | NJ | The Borough of Sussex for the Hamburg Avenue Water Line | $400,000 | $382,000 |
| | 185 | NY | The Village of Owego for wastewater treatment facilty improvements | $300,000 | $286,000 |
| | 186 | NY | The Village of Sydney for water system improvements | $300,000 | $286,000 |
| | 187 | NY | Monroe County Water Authority for the Southeast Service Area Reliability Improvements | $500,000 | $477,000 |
| | 188 | NY | The City of Buffalo, Erie County Water Authority for the Ball Pump Station Emergency Power Generation | $500,000 | $477,000 |
| | 189 | NY | The City of Middletown for Water and Wastewater Improvements | $400,000 | $382,000 |
| | 190 | NY | The City of New York for the Twin Lakes Restoration Project | $500,000 | $477,000 |
| | 191 | NY | The City of Rye for Sewer Pump Station Repairs | $200,000 | $191,000 |
| | 192 | NY | The Town of Bethel for Sewer Extension | $1,000,000 | $956,000 |
| | 193 | NY | The Town of Geneva, Water District 12 for Water Infrastructure | $500,000 | $477,000 |
| | 194 | NY | The Town of Goshen for the Hambletonian Park Water Main Replacement | $400,000 | $382,000 |
| | 195 | NY | The Town of Halfmoon for the Halfmoon Water Line | $500,000 | $477,000 |
| | 196 | NY | The Town of Marcellus for Drinking Water Infrastructure Improvements | $500,000 | $477,000 |
| | 197 | NY | The Village of Briarcliff Manor for Sewer Upgrades | $300,000 | $286,000 |

| | | | | |
|---|---|---|---|---|
| 198 | NY | The Village of Lyndonville for the Wastewater Treatment Plant | $440,000 | $420,000 |
| 199 | NY | The Village of Mamaroneck for Sewer System Upgrades | $200,000 | $191,000 |
| | | | **$8,340,000** | **$7,960,000** |
| 44 | DE | The City of Wilmington for filter membrane plant improvements | $300,000 | $287,000 |
| 45 | DE | New Castle County for Old Shellpot Interceptor Improvements | $300,000 | $287,000 |
| 115 | MD | The City of Baltimore for sanitary and combined sewer infrastructure improvements | $700,000 | $669,000 |
| 116 | MD | The City of Frostburg for combined sewer overflow improvements | $300,000 | $288,000 |
| 117 | MD | The Town of Westernport for combined sewer overflow improvements | $200,000 | $191,000 |
| 118 | MD | The City of Cumberland for combined sewer overflow improvements | $200,000 | $191,000 |
| 119 | MD | The City of College Park for the Paint Branch Watershed Storm Management Plan | $100,000 | $96,000 |
| 211 | PA | Monongahela Township, Greene Countyfor Sewer system upgrades | $300,000 | $287,000 |
| 212 | PA | Three Rivers Wet Weather Demonstration Program for Continuation of the Wet Weather Demo Program | $800,000 | $765,000 |
| 213 | PA | Franklin Township for wastewater upgrade and water quality protection project | $200,000 | $191,000 |
| 214 | PA | The Borough of Cochranton for wastewater collection and treatment facilities construction project | $200,000 | $191,000 |
| 215 | PA | The Borough of Bridgeport for Combined Sewer Overflow Infrastructure Improvements | $400,000 | $382,000 |
| 216 | PA | Somerset County for Waterline Construction Project | $200,000 | $191,000 |
| 217 | PA | The Borough of Stoystown, Somerset Township Municipal Authority for Stoystown Water Project | $675,000 | $645,000 |
| 218 | PA | The Borough of Bellefonte for waterline replacement project | $100,000 | $96,000 |
| 219 | PA | The City of Scranton for wastewater and stormwater infrastructure project | $100,000 | $96,000 |
| 220 | PA | New Castle, Lawrence County Planning Office for Water and Wastewater Infrastructure Improvements at Millennium Park | $500,000 | $478,000 |
| 221 | PA | The Borough of Slatington for Wastewater Infrastructure Improvements | $165,000 | $158,000 |
| 222 | PA | The City of Cressona, Cressona Borough Authority for the Cressona Belt Filter Press | $80,000 | $77,000 |
| 223 | PA | The City of Hershey, Derry Township Municipal Authority for Wastewater Treatment Facility | $83,000 | $80,000 |
| 224 | PA | The City of Lock Haven, Clinton County Municipal Authority for Sewer Pump Station Construction in Woodward Township | $500,000 | $477,000 |
| 225 | PA | The City of Williamsport, Lycoming Department of Planning and Community Development for a Water System for Muncy Industrial Park | $500,000 | $477,000 |
| 226 | PA | The Township of Cecil, Cecil Township Municipal Authority for the Miller's Run Sewer System | $500,000 | $477,000 |
| 227 | PA | Yardley, Yardley Borough Sewer Authority for Wastewater Infrastructure | $500,000 | $477,000 |
| 253 | VA | The Town of Onancock for wastewater treatment plant project | $300,000 | $287,000 |
| 254 | VA | The City of Lynchburg for sewer infrastructure improvements | $300,000 | $287,000 |
| 255 | VA | Fairfax County, Stormwater Planning Division for Stormwater Management Planning | $700,000 | $669,000 |
| 256 | VA | Henry County, Henry County Public Service Authority for Water Infrastructure Improvements | $500,000 | $477,000 |
| 257 | VA | The City of Alexandria and Arlington County for Four Mile Run | $700,000 | $669,000 |
| 274 | WV | The City of Moorefield for wastewater treatment plant improvements | $3,000,000 | $2,866,000 |
| 275 | WV | The Mingo County Redevelopment Authority for water and sewer improvements | $3,000,000 | $2,866,000 |
| 276 | WV | The City of Milton for Milton Water System Improvements | $1,000,000 | $956,000 |
| 277 | WV | The City of Pennsboro for Wastewater Infrastructure Improvement | $550,000 | $526,000 |
| 278 | WV | The City of Weston for the Jackson's Mill Waterline | $250,000 | $239,000 |
| 279 | WV | The City of Westover for Sanitary Sewer Service Upgrade | $825,000 | $788,000 |
| | | | **$19,028,000** | **$18,184,000** |

**Region 3**

| | | | | |
|---|---|---|---|---|
| 5 | AL | The Town of Eva for wastewater treatment facility upgrade project | $300,000 | $286,000 |
| 6 | AL | The Town of Somerville for wastewater construction project | $384,000 | $367,000 |
| 7 | AL | The City of Clanton for the Water Treatment Plant Upgrade Project | $1,084,000 | $1,035,000 |
| 8 | AL | Jackson County for wastewater and drinking water infrastructure project | $132,000 | $126,000 |
| 9 | AL | The City of Glencoe for Storm Drainage and Sewer Repairs | $500,000 | $477,000 |
| 10 | AL | The City of Muscle Shoals for Wastewater Infrastructure | $500,000 | $477,000 |
| 46 | FL | The City of Jacksonville for wastewater infrastructure improvement project | $300,000 | $287,000 |
| 47 | FL | The Emerald Coast Utility Authority for water system improvements | $300,000 | $286,000 |
| 48 | FL | St. Johns River Water Management District for Expansion of the Taylor Creek Reservoir | $500,000 | $477,000 |
| 49 | FL | The City of Brooksville, Southwest Florida Water Management District for Peace and Myakka River Watershed Restoration | $500,000 | $477,000 |
| 50 | FL | The City of Clearwater for Wastewater and Reclaimed Water Infrastructure | $500,000 | $477,000 |
| 51 | FL | The City of Lauderdale-by-the-Sea for North Beach Neighborhood Improvements, Phase II | $500,000 | $477,000 |
| 52 | FL | The City of Sarasota, Sarasota County for the Phillippi Creek Septic System Replacement | $500,000 | $477,000 |
| 53 | FL | The City of Tallahassee for the Advanced Water Treatment Facility | $500,000 | $477,000 |
| 54 | FL | The City of Weston for Bonaventure Storm Water Pumps | $500,000 | $477,000 |
| 55 | FL | Town of Callahan for the Wastewater Treatment Plant | $500,000 | $477,000 |
| 56 | FL | Town of Jupiter for Water Treatment Plant Enhancement | $500,000 | $477,000 |
| 57 | FL | The Town of Pembroke Park for Sanitary Sewage System Rehabilitation | $450,000 | $430,000 |
| 58 | GA | The City of Atlanta for wastewater and stormwater rehabilitation project | $300,000 | $286,000 |
| 59 | GA | The Metro North Georgia Water Planning District for water and wastewater improvements project | $300,000 | $286,000 |
| 60 | GA | The City of Valdosta for the Valdosta Scott Water Tank Construction | $500,000 | $477,000 |
| 61 | GA | The City of Vienna for Sewer Treatment Facility | $500,000 | $477,000 |
| 98 | KY | The City of Ewing in Fleming County for wastewater construction project | $300,000 | $286,000 |
| 99 | KY | The Green River Valley Water District in Hart County for drinking water project | $1,000,000 | $956,000 |
| 100 | KY | The Monroe County Water District, Tompkinsville for drinking water and construction project | $1,350,000 | $1,290,000 |
| 101 | KY | The City of Harlan, Baxter-Rosspoint Sewer Line Expansion | $500,000 | $477,000 |
| 102 | KY | The City of La Grange, Oldham County Sewer District for the Ohio River Wastewater Treatment Plant in Goshen | $500,000 | $477,000 |
| 103 | KY | The City of Lexington, Lexington-Fayette Urban County Government for South Elkhorn Pump Station and Force Main Project | $1,200,000 | $1,146,000 |
| 104 | KY | The City of Louisville, Louisville and Jefferson County Municipal Sewer District for the Shively Area Pump Stations Eliminations Project | $500,000 | $477,000 |
| 133 | MS | The Town of Flora for drinking water and wastewater construction project | $1,550,000 | $1,481,000 |
| 134 | MS | The City of Oxford for wastewater construction project | $342,000 | $327,000 |
| 135 | MS | West Rankin Utility Authority for wastewater rehabilitation project | $200,000 | $191,000 |
| 136 | MS | The City of Ridgeland for wastewater and water quality protection project | $200,000 | $191,000 |
| 137 | MS | The Town of Boyle for water and sewer line extension project | $100,000 | $96,000 |
| 138 | MS | The City of Brookhaven for water and wastewater improvements project | $300,000 | $287,000 |
| 139 | MS | The City of Fulton for wastewater improvements project | $100,000 | $96,000 |
| 140 | MS | The City of Independence, Tate County School District for Water System Improvements | $500,000 | $477,000 |
| 144 | NC | Lower Cape Fear Water and Sewer Authority, Leland, for Water and Sewer Improvements | $300,000 | $286,000 |
| 145 | NC | The Neuse-Regional Water and Sewer Authority, Kinston,NC for water treatment system project | $300,000 | $286,000 |

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| 146 | NC | The City of Mount Airy, Surry County for Water and Wastewater Infrastructure along the 1-77 and 1-74 Interstates Corridor | $500,000 | $478,000 |
| 147 | NC | The City of Durham for Water and Wastewater Improvements | $500,000 | $478,000 |
| 148 | NC | The Town of Cary for Planning, Design, and Permitting for the Western Wake Regional Wastewater Management Facilities | $500,000 | $477,000 |
| 149 | NC | The Town of Troy, Montgomery County for the Pump Station Improvement Project | $500,000 | $477,000 |
| 150 | NC | The Town of Murphy, Cherokee County for the U.S. Highway 7419/129 Sewer Project | $500,000 | $477,000 |
| 231 | SC | The City of West Columbia for wastewater line replacement project | $150,000 | $144,000 |
| 232 | SC | The City of Charleston for stormwater drainage system project | $150,000 | $144,000 |
| 233 | SC | The City of Gaffney for the Water Treatment Plant Upgrade | $1,000,000 | $956,000 |
| 234 | SC | The Town of Andrews for Water and Wastewater Improvements | $500,000 | $477,000 |
| 237 | TN | Claiborne County, wastewater treatment project, Harrogate TN | $1,000,000 | $956,000 |
| 238 | TN | Johnson County for Sutherland Water Line Extension project | $300,000 | $287,000 |
| 239 | TN | Morgan County for Gobey Community water system improvement project | $300,000 | $286,000 |
| 240 | TN | The Town of Collierville, Public Works Department for Wastewater Infrastructure | $200,000 | $191,000 |
| | | | **$25,392,000** | **$24,245,000** |

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|---|---|---|---|---|
| 72 | IL | The Village of Chatham for water supply infrastructure improvements | $300,000 | $286,000 |
| 73 | IL | The City ofMonmouth for wastewater system improvements | $300,000 | $286,000 |
| 74 | IL | The Northeastern Illinois Sewer Consortium for wastewater infrastructure improvements | $350,000 | $335,000 |
| 75 | IL | The Village of Riverdale for water system improvements | $300,000 | $286,000 |
| 76 | IL | The City of Oregon, Public Works Department for Wastewater Treatment Infrastructure | $500,000 | $477,000 |
| 77 | IL | The City of Virginia for a Water Treatment Facility | $500,000 | $477,000 |
| 78 | IL | The Village of Farina for Water System Improvements | $250,000 | $239,000 |
| 79 | IL | The Village of Hazel Crest for Water Improvements | $143,000 | $137,000 |
| 80 | IL | The Village of Johnsburg for Wastewater Conveyance and Treatment Works | $500,000 | $477,000 |
| 81 | IL | The Village of South Chicago Heights for Wastewater Treatment Facility | $300,000 | $286,000 |
| 82 | IL | The Village of Steward for Wastewater Infrastructure | $300,000 | $286,000 |
| 83 | IN | The City of Centerville for wastewater treatment plant upgrade project | $300,000 | $286,000 |
| 84 | IN | The City of Fort Wayne for the Storm Sewer Separation Project | $500,000 | $477,000 |
| 85 | IN | The City of Evansville for the Mt. Auburn Neighborhood Sanitary Sewer System | $500,000 | $477,000 |
| 86 | IN | The City of Carmel for Sanitary Sewer Rehabilitation | $500,000 | $477,000 |
| 87 | IN | The City of Charlestown for the Water Treatment Facility | $500,000 | $477,000 |
| 88 | IN | The City of South Bend for the Sewer Overflow Sensory Control Network | $500,000 | $477,000 |
| 89 | IN | The Town of Linden, Department of Water and Sewage for the Sewer Treatment Plant Expansion | $200,000 | $191,000 |
| 90 | IN | The Town of Merrillville for Water Infrastructure Improvements | $500,000 | $477,000 |
| 122 | MI | The City of Saint Louis for water supply improvements | $300,000 | $286,000 |
| 123 | MI | Office of the Genessee County Drain Commissioner for the North-East Relief Sewer | $500,000 | $477,000 |
| 124 | MI | The City of Brighton for the Mill Pond Lane Bypass Sanitary Sewer Improvements | $165,000 | $158,000 |
| 125 | MI | The City of Detroit, Charter County of Wayne for the Rouge River National Wet Weather Demonstration | $1,000,000 | $956,000 |
| 126 | MI | The Township of Waterford, Oakland County Drain Commission for the Evergreen-Farmington Sanitary Sewer Overflow Control Demonstration Project | $500,000 | $477,000 |
| 127 | MN | The City of New Auburn for drinking water facility construction project | $300,000 | $286,000 |
| 128 | MN | The City of Minneapolis for combined sewer overflow improvements | $300,000 | $286,000 |

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| 129 | MN | The City of Grand Rapids, Grand Rapids Public Utilities Commission for Wastewater Treatment Facility | $1,000,000 | $956,000 |
| 200 | OH | The Ohio River Valley Water Sanitation Commission for organic detection system improvements | $300,000 | $286,000 |
| 201 | OH | Burr Oak for drinking water plant construction project | $300,000 | $286,000 |
| 202 | OH | The City of Columbus, Columbus Downtown Development Corporation for the Scioto Mile River Level Park Project | $500,000 | $477,000 |
| 203 | OH | The City of Elyria for the Water Treatment Intake Plant | $380,000 | $363,000 |
| 204 | OH | The City of Port Clinton, Ottawa County for the Watermain Corrosion and Sanitary Sewer Program | $500,000 | $477,000 |
| 205 | OH | The City of Zanesville, Muskingum County Commission for the West Pike Sanitary Sewer | $500,000 | $477,000 |
| 206 | OH | The Office of the Trumbull County Commissioners for the Scott Street Sanitary· Sewer in Newton Falls | $500,000 | $477,000 |
| 207 | OH | The Village of Rushville for Sewage Infrastructure Improvements | $402,000 | $384,000 |
| 270 | WI | The City of Waukesha for drinking water improvements | $600,000 | $573,000 |
| 271 | WI | The City of Green Bay for Storm water facilities improvements | $400,000 | $382,000 |
| 272 | WI | Holcombe, the Lake Holcombe Sanitary District for Wastewater Treatment and Sewer System Upgrades | $1,000,000 | $956,000 |
| 273 | WI | The City of Peshtigo for Water System Improvements | $500,000 | $477,000 |
| | | | **$17,190,000** | **$16,408,000** |
| 11 | AR | The Ozark Mountain Regional Public Water Authority for water system improvement project | $300,000 | $286,000 |
| 12 | AR | The City of Fayetteville for Wastewater Improvements | $300,000 | $286,000 |
| 13 | AR | The City of Pine Bluff for Sewer Improvements | $500,000 | $477,000 |
| 14 | AR | The City of Rogers, Northwest Arkansas Conservation Authority for Water and Wastewater Infrastructure and Watershed Management | $500,000 | $477,000 |
| 105 | LA | The City of Hammond for water system upgrades | $400,000 | $382,000 |
| 106 | LA | The City of St. Gabriel for wastewater treatment expansion | $300,000 | $286,000 |
| 107 | LA | The City of Bastrop for wastewater treatment facility improvements | $200,000 | $191,000 |
| 108 | LA | Ascension Parish for wastewater treatment facility construction project | $300,000 | $286,000 |
| 109 | LA | The City of Grambling for the East Martin Luther King / Tarbutton Road Sewer Extension | $500,000 | $477,000 |
| 171 | NM | The City of Rio Rancho for water system upgrades | $300,000 | $286,000 |
| 172 | NM | Albuquerque / Bernalillo County for Valley Utilities Project | $400,000 | $382,000 |
| 173 | NM | The City of Belen for wastewater facility improvement project | $400,000 | $382,000 |
| 174 | NM | The City of Aztec for Municipal Wastewater Treatment | $500,000 | $477,000 |
| 175 | NM | West Mesa and the City of Las Cruces for water and wastewater system improvements project | $400,000 | $382,000 |
| 176 | NM | The Town of Bernalillo for Arsenic and Water System Improvements | $500,000 | $477,000 |
| 177 | NM | The Pueblo of San Felipe for Water and Wastewater Infrastructure Improvements | $400,000 | $382,000 |
| 178 | NM | The City of Santa Fe for Water Distribution Infrastructure | $500,000 | $477,000 |
| 208 | OK | The City of Ardmore for wastewater and water quality protection project | $300,000 | $286,000 |
| 241 | TX | The City of Austin Water Utility for wastewater treatment upgrade project | $300,000 | $286,000 |
| 242 | TX | Lanana Creek for the stormwater project | $800,000 | $765,000 |
| 243 | TX | The City of San Antonio, San Antonio Water System for the Central Watershed Sewer Relief Line C-02 | $800,000 | $765,000 |
| 244 | TX | Richmond, Fort Bend County for a Water and Wastewater Project | $500,000 | $478,000 |
| 245 | TX | The City of Grandview for an Elevated Water Storage Tank | $500,000 | $477,000 |
| 246 | TX | The City of Hillsboro for Water and Wastewater System Improvement | $500,000 | $478,000 |
| 247 | TX | The City of Killeen for Water and Sewer Infrastructure | $500,000 | $478,000 |
| 248 | TX | The City of Sabinal for Wastewater Treatment Facility Project | $200,000 | $191,000 |
| | TX | El Paso Set-Aside from US-Mexico Border Program | $4,063,389 | $4,000,000 |
| | TX | Brownsville Set-Aside from US-Mexico Border Program | $936,611 | $922,000 |
| | | | **$16,100,000** | **$15,519,000** |
| 62 | IA | The City of Clinton for wastewater treatment plant construction project | $300,000 | $286,000 |

**Region 6**

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|---|---|---|---|---|---|
| | 63 | IA | The City of Davenport for water system improvements | $500,000 | $477,000 |
| | 64 | IA | The City of Ottumwa for combined sewer overflow improvements | $400,000 | $382,000 |
| | 65 | IA | The City of Mason City for the Wastewater Treatment Facility Expansion | $500,000 | $477,000 |
| | 91 | KS | Great Bend for 10th Street sewer line repairs | $500,000 | $477,000 |
| | 92 | KS | The City of Ellsworth for wastewater treatment project | $300,000 | $286,000 |
| | 93 | KS | The City of Larned for the Waste Water Treatment Plant | $500,000 | $477,000 |
| | 94 | KS | The City of Iola for Water and Wastewater Infrastructure | $500,000 | $477,000 |
| | 95 | KS | The City of Lenexa for stormwater improvement project | $300,000 | $286,000 |
| Region 7 | 96 | KS | The City of Prescott for wastewater treatment plant construction project | $300,000 | $286,000 |
| | 97 | KS | The City of Sedan, Rural Water District Number 4 Chautauqua County for Water and Wastewater Infrastructure | $1,200,000 | $1,146,000 |
| | 130 | MO | The City of Linn for wastewater treatment plant expansion project and line extension | $2,350,000 | $2,245,000 |
| | 131 | MO | The City of Hayti, Pemiscot Consolidated Public Water Supply District 1 for a Water Storage Tank | $150,000 | $144,000 |
| | 132 | MO | The City of Joplin for the Wildwood Ranch Sewer | $500,000 | $477,000 |
| | 158 | NE | The City of Lincoln for wastewater treatment facilities upgrade project | $600,000 | $573,000 |
| | 159 | NE | The City of South Sioux City for wastewater system improvements | $500,000 | $477,000 |
| | 160 | NE | The City of Omaha for combined sewer separation project. | $400,000 | $382,000 |
| | | | | **$9,800,000** | **$9,355,000** |
| | 32 | CO | Arkansas Valley Conduit for drinking water project | $600,000 | $573,000 |
| | 33 | CO | Idaho Springs for wastewater and drinking water project | $1,000,000 | $956,000 |
| | 34 | CO | The Town of Bayfield fpr wastewater facility upgrade project | $400,000 | $382,000 |
| | 35 | CO | The City of Manitou Springs for drinking water system improvement project | $350,000 | $335,000 |
| | 36 | CO | The South Platte River Basin, Central Colorado Water Conservancy District for water system improvements | $300,000 | $286,000 |
| | 37 | CO | The Town of Eckley for Water Treatment Improvements | $150,000 | $144,000 |
| | 141 | MT | The Crow Tribe for wastewater lagoon replacement | $600,000 | $573,000 |
| | 142 | MT | The City of Helena for Missouri River wastewater treatment plant improvements | $300,000 | $286,000 |
| | 143 | MT | The City of Conrad for Conrad Wastewater Treatment Facility Improvements | $500,000 | $477,000 |
| | 151 | ND | The City of Washburn for water treatment plant improvements | $200,000 | $191,000 |
| | 152 | ND | The City of Riverdale for water treatment plant upgrades | $300,000 | $286,000 |
| Region 8 | 153 | ND | Southeast Water Users District for upgrades for the rural water system | $300,000 | $286,000 |
| | 154 | ND | The Cities of Fortuna, Noonan and Columbus for the BDW Water Systems Association water system improvements and expansion | $200,000 | $191,000 |
| | 155 | ND | The City of Lakota for water treatment plant upgrades | $200,000 | $191,000 |
| | 156 | ND | The North Central Rural Water Consortium for rural water system expansion | $100,000 | $96,000 |
| | 157 | ND | Walsh Rural Water District for water system improvements | $100,000 | $96,000 |
| | 235 | SD | The City of Box Elder for water infrastructure improvements | $500,000 | $478,000 |
| | 236 | SD | The City of Rapid City for Source Water Protection Improvements | $600,000 | $573,000 |
| | 249 | UT | Syracuse City for drinking water improvement project | $500,000 | $477,000 |
| | 250 | UT | Centerfield for drinking water improvement project | $1,100,000 | $1,051,000 |
| | 251 | UT | Salt Lake City for water quality protection project | $300,000 | $286,000 |
| | 252 | UT | The City of Riverton for the Water Pump Station | $500,000 | $477,000 |
| | 280 | WY | The City of Cheyenne for Wastewater treatment plant upgrade project | $300,000 | $286,000 |
| | | | | **$9,400,000** | **$8,977,000** |
| | 15 | AZ | Bullhead City for wastewater treatment plant expansion project | $300,000 | $286,000 |
| | 16 | CA | Ventura County Public Works Agency for sewer system upgrades in El Rio Forebay | $1,000,000 | $956,000 |
| | 17 | CA | The City of Eureka for the Martin Slough Interceptor Project | $1,000,000 | $956,000 |
| | 18 | CA | The City of Pasadena for perchlorate remediation and drinking water system improvements | $1,175,000 | $1,123,000 |
| | | CA | | | |

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| Region 9 | 20 | CA | The City of Big Bear Lake, Department of Water and Power to Upgrade the Pipeline Infrastructure | $1,000,000 | $956,000 |
| | 21 | CA | The City of Arcadia for the Arcadia/Sierra Madre Joint Water Infrastructure | $500,000 | $477,000 |
| | 22 | CA | The City of Barstow, County of San Bernardino for the Sewer Master Plan Implementation, Phase II | $500,000 | $477,000 |
| | 23 | CA | The City of Huntington Park for the Slauson Avenue Water Line and Yard Rehabilitation | $400,000 | $382,000 |
| | 24 | CA | The City of Manteca for Water Treatment Infrastructure Upgrades | $500,000 | $477,000 |
| | 25 | CA | The City of Sacramento, Sacramento Department of Utilities for Downtown Sacramento Combined Sewer Improvement | $500,000 | $477,000 |
| | 26 | CA | The City of San Clemente for Expansion of Water Reclamation Facility | $500,000 | $477,000 |
| | 27 | CA | The City of San Francisco, Public Utilities Commission for the Lower Mission District | $700,000 | $669,000 |
| | 28 | CA | The City of Seaside for Monterey Bay Outfall Dry Weather Diversion | $500,000 | $477,000 |
| | 29 | CA | The City of Temple City for the Sanitation Sewer Rehabilitation Project | $150,000 | $144,000 |
| | 30 | CA | The City of Vallejo for Mare Island Sanitary Sewer and Storm Drain | $650,000 | $621,000 |
| | 31 | CA | The Town of Yucca Valley, Hi-Desert Water Agency for a Wastewater Treatment System | $375,000 | $358,000 |
| | 179 | NV | The City of Fallon for Wastewater System Improvement | $500,000 | $477,000 |
| | 180 | NV | The City of Reno for sewer extension project | $400,000 | $382,000 |
| | 181 | NV | The City of Carson City for water system improvements | $300,000 | $286,000 |
| | 182 | NV | The Moapa Valley Water District for arsenic treatments | $300,000 | $286,000 |
| | 183 | NV | Esmeralda County for water system improvements | $100,000 | $96,000 |
| | 184 | NV | The Town of Overton for the Collection System Infiltration Study | $212,000 | $203,000 |
| | | | | **$12,387,000** | **$11,831,000** |
| Region 10 | 1 | AK | The City of Kenai for water treatment project | $300,000 | $288,000 |
| | 2 | AK | The City of Kodiak for water and sewer improvements project | $500,000 | $478,000 |
| | 3 | AK | The City of Wrangell for water and sewer upgrade project | $550,000 | $526,000 |
| | 4 | AK | The City of Ketchikan for water and sewer upgrade project | $550,000 | $526,000 |
| | 66 | ID | The City of Marsing for drinking water system reconstruction project | $432,000 | $412,000 |
| | 67 | ID | The City of Hazelton for wastewater system improvements project | $469,000 | $448,000 |
| | 68 | ID | The City of St. Anthony for wastewater system improvements project | $562,000 | $537,000 |
| | 69 | ID | The City of Rexburg for wastewater and stormwater facilities project | $137,000 | $131,000 |
| | 70 | ID | The City of Buhl for drinking water project | $300,000 | $286,000 |
| | 71 | ID | The City of Twin Falls for the Auger Falls Wastewater Treatment Project | $500,000 | $477,000 |
| | 209 | OR | The City of Coburg for a Wastewater System Project | $500,000 | $477,000 |
| | 210 | OR | The City of Portland for decentralized stormwater management system improvements | $550,000 | $526,000 |
| | 260 | WA | The City of Monitor, Chelan County Public Utilities District, for drinking water upgrades | $600,000 | $573,000 |
| | 261 | WA | The City of Winlock for wastewater treatment plant upgrades | $400,000 | $382,000 |
| | 262 | WA | The City of West Richland for water treatment system upgrades | $300,000 | $286,000 |
| | 263 | WA | Mason County for Wastewater Infrastructure Improvements for the Community of Belfair | $2,000,000 | $1,911,000 |
| | 264 | WA | Seattle, Seattle Public Utilities for South Park Drainage Project | $500,000 | $477,000 |
| | 265 | WA | Skokomish, Skokomish Indian Tribal Nation for Wastewater Treatment | $1,000,000 | $956,000 |
| | 266 | WA | The City of Longview for a water treatment facility | $500,000 | $478,000 |
| | 267 | WA | The City of Mercer Island for the Mercer Island Sewer Lake Line Replacement | $500,000 | $477,000 |
| | 268 | WA | The City of Mountlake Terrace for Water Main System Replacement | $500,000 | $477,000 |
| | 269 | WA | The City of Puyallup for Water and Wastewater Infrastructure | $500,000 | $478,000 |
| | | | | **$12,150,000** | **$11,607,000** |
| | | | | **$140,000,000** | **$133,831,000** |

*Final Amount calculated as: Conference Report Earmark Amount less 1.56% rescission less 3% administrative set-aside.
3% set-aside not applied to US-Mexico Border Program

# ATTACHMENT 2

GENERAL, ADMINISTRATIVE, AND MISCELLANEOUS

-102. Grants and Cooperative Agreements for Water Infrastructure Projects or Other Water Resource Projects from Funds Appropriated for the State and Tribal Assistance Grant Account or the Environmental Programs and Management Account

AUTHORITY. To approve and administer grants and cooperative agreements for water infrastructure projects or other water resource projects from funds appropriated for the State and Tribal Assistance Grant Account or the Environmental Programs and Management Account or any successor accounts, including a project authorized by Section 510 of the Water Quality Act of 1987, P.L. 100-4, 101 Stat. 7,80, EPA's FY 1991 Appropriations Act (P.L. 101-507), and any subsequent public law; and to perform other activities necessary for the effective administration of those grants and cooperative agreements.

2. TO WHOM DELEGATED. The Assistant Administrator for Water and Regional Administrators.

3. REDELEGATION AUTHORITY.

a. The authority granted to the Regional Administrator may be redelegated to the Division Director level, or equivalent, and no further.

b. The authority granted to the Assistant Administrator for Water may redelegated to the Office Director level, or equivalent, and no further.

4. LIMITATIONS.

a. Except as provided in c. below, this delegation applies only to those grants and cooperative agreements for which authority is provided exclusively in a statute other than the Clean Water Act or the Safe Drinking Water Act (e.g., a statute making appropriations to the State and Tribal Assistance Grant Account or the Environmental Programs and Management Account or any successor accounts).

b. Awards are subject to guidance issued by the Office of the Comptroller or by the Office of Water or its Component Offices.

c. This delegation also applies to grants and cooperative agreements for projects described in, and pursuant to the 1987 Water Quality Act Section 510, as amended by EPA's 1991 Appropriations Act (P.L. 101-507), as amended.

5. ADDITIONAL REFERENCES

a. Authority to execute (sign) these financial assistance agreements is delegated to the Regional Administrators under Delegation 1-14, Assistance Agreements;

b. 40 CFR Part 31;

c. 40 CFR Part 40 for Demonstration grants;

d. 40 CFR Part 35, Subpart K; and

e. EPA Assistance Administration Manual

# ATTACHMENT 3

**LISTING OF CROSS-CUTTING**
**FEDERAL AUTHORITIES**
**FOR SPECIAL APPROPRIATIONS ACT PROJECTS**

**Environmental Authorities**

Archeological and Historic Preservation Act, Pub. L. 93-291, as amended

Clean Air Act, Pub. L. 95-95, as amended

Clean Water Act, Tittles III, IV and V, Pub. L. 92-500, as amended

Coastal Barrier Resources Act, Pub. L. 97-348

Coastal Zone Management Act, Pub. L. 92-583, as amended

Endangered Species Act, Pub. L. 93-205, as amended

Environmental Justice, Executive Order 12898

Flood Plain Management, Executive Order 11988 as amended by Executive Order 12148

Protection of Wetlands, Executive Order 11990 as amended by Executive Order 12608

Farmland Protection Policy Act, Pub. L. 97-98

Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended

Magnunson-Stevens Fishery Conservation and Management Act, Pub. L. 94-265

National Environmental Policy Act, Pub. L. 91-190

National Historic Preservation Act, Pub. L. 89-655, as amended

Safe Drinking Water Act, Pub L. 93-523, as amended

Wild and Scenic Rivers Act, Pub. L. 90-54, as amended

**Economic and Miscellaneous Authorities**

Debarment and Suspension, Executive Order 12549

Demonstration Cities and Metropolitan Development Act, Pub. L. 89 -754, as amended, and Executive Order 12372

Drug-Free Workplace Act, Pub. L. 100-690

Government Neutrality Toward Contractor's Labor Relations, Executive Order 13202 as amended by Executive Order 13208

New Restrictions on Lobbying, Section 319 of Pub. L. 101-121

Prohibitions relating to violations of the Clean Water Act or Clean Air Act with respect to Federal contracts, grants, or loans under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, and Executive Order 11738.

Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended

**Civil Rights, Nondiscrimination, Equal Employment Opportunity Authorities**

Age Discrimination Act, Pub. L. 94-135

Equal Employment Opportunity, Executive Order 11246

Section 13 of the Clean Water Act, Pub. L. 92-500

Section 504 of the Rehabilitation Act, Pub. L 93-112 supplemented by Executive Orders 11914 and 11250

Title VI of the Civil Rights Act, Pub. L 88-352

**Disadvantaged Business Enterprise Authorities**

EPA's FY 1993 Appropriations Act, Pub. L. 102-389

Section 129 of the Small Business Administration Reauthorization and Amendment Act, Pub. L. 100-590

Small, Minority and Women Owned Business Enterprises, Executive Orders 11625, 12138 and 12432

# ATTACHMENT 4

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JAN 20 1995

OFFICE OF
ENFORCEMENT AND
COMPLIANCE ASSURANCE

MEMORANDUM

SUBJECT: NEPA Guidance for Special Wastewater Treatment Projects in the FY95 Appropriation Bill

FROM: Richard E. Sanderson
Director
Office of Federal Activities (2252)

TO: NEPA Coordinators

The purpose of this memorandum is to provide guidance on the requirements for compliance with the National Environmental Policy Act (NEPA) for special projects authorized for EPA grant funding by the FY95 Appropriations Act (Act). The Act appropriated "no-year" money to fund special wastewater treatment projects identified by Congress. Each region has projects on this list. The list is included in the attached copy of the guidance memorandum prepared by the Office of Water Management (OWM).

The OWM memorandum indicates that NEPA applies to all of these projects except the three to be funded as Clean Water Act (CWA) section 104(b)(3) demonstration projects. These three are exempted from NEPA under the CWA section 511(c). The Office of General Counsel (OGC) has prepared an "Analysis of NEPA applicability to special grants authorized by FY 1995 Appropriations Act." This analysis is also attached.

OFA Guidance to Regional NEPA Coordinators

An independent EPA NEPA analysis for the non-demonstration projects is required. In addition, other cross-cutting federal statutes, such as the Endangered Species Act and the National Historic Preservation Act, also apply to these projects. The Council on Environmental Quality's (CEQ) NEPA regulations do not allow EPA to adopt a state analysis. However, the NEPA regulations do require agencies to "cooperate with State and local agencies to the fullest extent possible to reduce

duplication between NEPA and State and local requirements ..." (40 CFR 1506.2). There are several ways the regions can use the existing information and assessments for these projects as summarized below and as discussed in greater detail in the attached OGC analysis. **In all cases, EPA must independently evaluate the state documentation and review process and is responsible for the accuracy of the NEPA documentation and the adequacy of the process (40 CFR 1506.5).**

- Where states have performed environmental reviews under NEPA-like statutes or pursuant to State Revolving Fund regulations, EPA can incorporate, but not simply adopt, the state analysis into the Agency's NEPA analysis.

- Where state reviews have found no significant impacts and EPA approves of that finding and the state process, EPA may issue an environmental assessment (EA) summarizing and referencing the state analysis and an accompanying Finding of No Significant Impact (FONSI).

- Where state reviews have found significant impacts or EPA independently determines that there are significant impacts, EPA must issue a notice of intent and proceed with an environmental impact statement (EIS) and record of decision (ROD) in accordance with the Agency's regulations at 40 CFR Part 6.

- Where construction of projects is complete or nearly completed, a NEPA analysis will not have to be done.

- Where construction has started and the project is not nearly completed, a NEPA analysis is required and a notification of intent to pursue an independent analysis must be sent to the grantee.

- Where projects to be funded have been ongoing for several years, additional assessment may not be required if prior federal NEPA documentation has addressed the portions of the project to be funded by the FY95 grant. The region will need to assure that since the previous assessment: 1) there are no substantial changes in the proposed action relevant to environmental concerns, or 2) there are no significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts.

If the NEPA analysis was carried out under an earlier construction grant action and is no longer adequate or the project has not previously been assessed by EPA, it will be necessary to issue either an EA/FONSI or an EIS/ROD. The regulations applicable to these special project grants are the CEQ regulations (40 CFR Parts 1500-1508) and EPA's NEPA regulations (40 CFR Part 6, Subparts A-D). EPA's regulations at 40 CFR Part 6, Subpart E, while they do not apply to these special project grants, may provide additional guidance.

We anticipate that additional issues or sub-issues may arise which are not fully treated in this general guidance memorandum. These should be brought to our attention as soon as possible. In addition, we have scheduled a teleconference on Tuesday, January 24, 1995 from 11:00 a.m. to 12:00 noon eastern standard time to discuss this guidance and additional issues or concerns with the process. The call in number is (202) 260-4257. We look forward to your participation. Please inform John Gerba (202/260-5910) if you or your staff will not be on the call.

**Attachments**

**cc: Jim Havard, OGC**
**Ed Gross, OWM**

# ATTACHMENT 6

## CWSRF BENEFITS ASSESSMENT – CORE MEASURES FOR PROJECTS

- This page lays out the measures. An electronic version of this worksheet will be used for reporting. It will include links to the DEFINITIONS and DATA SOURCES listings found on the following pages. These describe the data requested and EPA's plans to aggregate the information for all projects.
- Complete measures 0, 1, 2, 3, and 4 for ***each individual project*** at the time of loan execution; a single loan may finance multiple projects. *1, 2, and 3b are optional for nonpoint source projects. Please include clarifying and other comments where applicable.

CWSRF Core Benefits Measures

**0. Basic project information (complete for all projects)**

**a.** Project name_____

Project tracking #_____ Additional tracking #_____

(phased project? ☐ **phase #** | original project # _____ )

**b.** Permit: Type_____ Number_____

Waterbody ID#/12-digit HUC _____

Other location information:_____

**c.** CWSRF loan amount to the project $

**d.** Total CWSRF loan amount $ _____ Execution date_____

Interest rate (final) _____% Repayment period _____yrs

**e.** NIMS categories for the project.

Circle all NIMS categories that apply to the project. For a nonpoint source project, enter the sub-category.

**I II IIIA IIIB IVA IVB V VI X NPS=VII - __**

**1.* User population served by the:**

project _____ | treatment facility(ies) _____

**2.* Volume of wastewater treated/processed**

project _____mgd | treatment facility(ies) _____mgd

**3. Improvement or maintenance of water quality.**

**a.** Does this project contribute to (check one)

water quality improvement? ☐ neither ☐

water quality maintenance? ☐

***b.** Does this project allow the system to (check one)

achieve compliance? ☐ neither ☐

maintain compliance? ☐

**c.** Is the affected *surface water* ☐ or *groundwater* ☐ :

meeting standards ☐, impaired ☐, threatened ☐

or not assessed ☐?

**d.** Does this project's specific loadings reductions allow the system to address:

an existing TMDL allocation? ☐

a projected TMDL allocation? ☐

a watershed management plan? ☐ N/A ☐

**4. Contribution to protection or restoration of designated uses and outcomes in the affected waterbody.**

Mark all applicable boxes with a ✓. For the designated uses, specify ***one*** primary use that drives the water quality goals of the project, if applicable. **P**=primary **O**=other.

If the project does not provide any water quality or public health benefits, but ***only*** improves infrastructure simply check this box. ☐

| **Designated uses** | Protection | | Restoration | |
|---|---|---|---|---|
| Drinking water supply | P☐ | O☐ | P☐ | O☐ |
| Shellfish harvesting | P☐ | O☐ | P☐ | O☐ |
| Cold water fishery | P☐ | O☐ | P☐ | O☐ |
| Warm water fishery | P☐ | O☐ | P☐ | O☐ |
| Primary contact recreation | P☐ | O☐ | P☐ | O☐ |
| Secondary contact recreation | P☐ | O☐ | P☐ | O☐ |
| Agriculture | P☐ | O☐ | P☐ | O☐ |
| Other – please specify | P☐ | O☐ | P☐ | O☐ |
| Other – please specify | P☐ | O☐ | P☐ | O☐ |

| **Other uses and outcomes** | Protection | Restoration |
|---|---|---|
| Other public health | ☐ | ☐ |
| Water reuse/recycling | ☐ | ☐ |
| Groundwater protection | ☐ | ☐ |
| Other – please specify | ☐ | ☐ |
| Other – please specify | ☐ | ☐ |

**Reporting information: person filling out this form**

Name_____ Phone #_____ Agency_____ Date completed_____

## DEFINITIONS and DATA SOURCES for the Core Benefits Measures

### 0.

**a. Project name and tracking #s**

Enter the project name and the number used to track the project in your state CWSRF program. If additional tracking information is required, enter "a," "b," "c," etc. For example, if the project number refers to the loan and this only one of three projects under that loan, differentiate the projects as "a," "b," and "c." If the project received a previous CWSRF loan, note the tracking number of the original loan/project.

**b. Permit type & number, waterbody ID/12-digit HUC, other location information**

Permit type will usually be "NPDES," but may be groundwater or land discharge. Please also enter a waterbody ID #, a HUC (hydrologic unit code) number, or some other geographic information for the affected waterbody(ies). This is especially important if the facility that the project affects does not have a permit or it the project affects a waterbody or waterbodies other than the receiving waterbody for this facility. A permit number itself should allow states and EPA to access this information. This information will allow EPA to access additional information about the waterbody from other data sources. Waterbody ID #'s are part of the National Hydrography Dataset (NHD) and are available through map interfaces on the EPA and USGS websites, as are HUCs. State environmental or mapping agencies can also often provide this information.

**c. CWSRF loan amount to the project**

Enter the amount loaned to finance the specific project. This may differ from the total loan amount if the loan finances multiple projects.

**d. Total CWSRF loan amount and execution date**

Enter the total loan amount and the date of loan execution.

**Interest rate and repayment period**

EPA will use this information and market data to compute estimated borrower savings due to the CWSRF interest rate subsidy. Report the final interest rate that includes any fees to best capture the borrower's realized savings.

**e. NIMS project categories for the loan**

This is the simplest way to describe a project. Its use here allows reporting for the individual projects that often receive financing from a single CWSRF loan, thus accurately cataloguing benefits information. Select all categories that apply to the project (not all categories that apply to the loan). (The electronic version makes this much easier.)

**Note:** If the project includes multiple NIMS categories (next page), please consider reporting project cost allocated to each NIMS category. This optional step will help EPA use environmental benefits information to the greatest effect.

Category

**I** Secondary treatment and best practicable wastewater treatment technology.
**II** Advanced treatment.
**IIIA** Infiltration/inflow correction.
**IIIB** Replacement and/or major rehabilitation of existing sewer systems.
**IVA** New collector sewer systems and appurtenances.
**IVB** New interceptor sewer systems and appurtenances.
**V** Correction of combined sewer overflows.
**VI** Municipal storm water management programs pursuant to NPDES permits.
**VII** Nonpoint source projects related to

A agriculture activities
B animal agricultural activities
C forestry activities
D development: roads, buildings, etc
E ground water pollution
F boating and marinas
G mining and quarrying activities
H idle, and underused industrial sites
I petroleum or chemical tanks
J sanitary landfills
K stream bank/shoreline modification, dams, wetland/riparian improvements
L rehabilitation/replacement of individual or community sewage disposal systems

**X** Recycled water distribution

## 1.

**User population served**

Enter the number of people that the project serves directly and the number of people currently connected to the permitted facility or system that the CWSRF project improves. I this information has not been updated on the permit recently, the applicant should be able to provide it easily.

Example: A project that simply extends sewer lines to a neighborhood that was formerly on septic would only register the population of that neighborhood as served directly. I&I improvements throughout the system that allow the treatment plant to maintain capacity for the newly connected neighborhood, however, would register the entire population connected to that facility as served directly. In both example cases, we would enter the entire population connected to the facility in the facility blank. Thus for the latter case, we enter the entire population connected to the facility in both blanks.

## 2.

**Volume of wastewater treated/processed**

For the project, enter the flow that it directly affects. This figure could be equivalent to the entry for the facility(ies), the design flow obtained from the engineering plans or updated permit for the facility. When flow cannot be accurately calculated for each phase of a phased project, divide the final resulting affected flow and design flow by the number of anticipated loan commitments and report the quotient for each commitment year.

Example 1:
A CWSRF loan funds rehabilitation of two pump stations, each of which processes 8% of total flow to the treatment facility. Enter 16% of the total flow for the project and enter the total design flow for the facility.

Example 2:
A CWSRF loan funds I&I repair designed to only affect 5% of flow but is designed to reduce wet weather flow by 12%. Because this project is **not** predominantly a wet weather project, we would count the 5%. (If is was a wet weather project, we would count the 12%.) Enter the total design flow for the facility.

## 3.

**a. Improvement or maintenance of water quality.**
To contribute to water quality improvement, a project must reduce pollutant loading to the receiving waterbody. A project that simply sustains the treatment capacity of a facility counts for water quality maintenance. Find this information in the engineering and/or environmental review documents for a project. It may be wise to confirm pre-project pollutant loadings with information from the most recent Discharge Monitoring Reports (DMRs). (See also **3d.**)

**b. Compliance**
Use the engineering and environmental review documents, the DMRs, and the permit (most likely a NPDES permit, but also possibly a reuse, recharge, or land discharge permit), along with any administrative, consent, or court orders. Any project that eliminates risk of noncompliance can be counted as having maintained compliance.

**c. Is the affected 'surface water' or 'groundwater' meeting standards, impaired, or threatened?**

Check the surface water or the groundwater box. Access the name of the receiving waterbody from the permit or another state data system (or a different affected waterbody for a nonpoint source project or other project). Then look it up on the 303(d) impaired waters list, or on a state groundwaters list, to learn if it is meeting standards, impaired or threatened, or not assessed.

**d. Does this project allow the system to address a TMDL allocation or watershed management plan?**

Because TMDL implementation is incomplete and NPDES permits are only renewed every five years, it will be necessary to contact the state environmental agency's TMDL office to learn if the receiving waterbody has an approved TMDL. If it does, refer back to the engineering and environmental documents to see if the CWSRF-funded project reduced the specified pollutants in the TMDL. In some cases, this TMDL information will already be attached to the permit. *Projects on impaired waters do NOT automatically address a TMDL.*

In the Chesapeake Bay watershed and others, states are implementing watershed management plans that will prevent the need for a TMDL. Check with the appropriate state offices to determine whether the project helps implement such a plan.

For projects on waterbodies without TMDLs or management plans or for projects that do not help meet the goals – often pollutant-specific – of such efforts, check the N/A box. A project may address both TMDLs and a watershed management plan – check both boxes.

Example:
On a nutrient impaired stream, a new wastewater treatment plant replaces a smaller early-1980s POTW and the aging septic tanks of a few subdivisions. In the next few years, its up-to-date treatment processes will improve pollutant removal efficiency. Because state or local planning has targeted the area for development, however, the plant is designed and permitted for a higher level of loadings to the stream than the existing POTW. Average effluent loadings over the lifetime of the plant will be significantly greater than those from the old POTW.

**a.** Check the N/A box. The project will degrade, not maintain or improve, water quality.
**b.** Check the box for achieves compliance, since the project will comply with stricter permit limits.
**c.** The receiving waterbody is impaired.
**d.** Although a TMDL has been submitted to EPA for the stream, the permit does not contain any allocations. The TMDL program office, however, quotes a projected allocation figure for nutrients that the new facility does meet. Check the projected TMDL allocation box.

## 4.

**Contribution to protection or restoration of designated uses[*] in the receiving waterbody.**

If the project maintains or improves water quality or, as in the case of the example for measure 3, increases effluent loadings but meets its permit, it is contributing to protection of the uses you find when matching pollutants. If the project reduces loadings of a pollutant that is impairing a designated use (303(d) list), the project contributes to restoration of that use.

While some project benefits are better described as infrastructure improvement, we should make an effort—to the extent that the documentation allows—to link project benefits to the affected waterbody of the facility/system.

While it may be obvious in some cases, we can systematically link a project to uses of the affected waterbody. First, identify the pollutants that the project removes from the influent sewage (design and environmental review documents) and that show up in the water quality criteria for the receiving waterbody's uses (water quality standards database) and outcomes. The design objectives for the project will make it clear which pollutants are targeted and will often mention uses/outcomes that are driving the project. Only mark uses/outcomes that are *explicitly addressed or strongly inferred* by the planning and design documentation. If these documents do not specify uses/outcomes, mark those that the project significantly affects. For the designated uses, specify one and only one primary use that drives the water quality goals of the project, if applicable.[∏] Specify "other" for additional uses.

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[*] Note that EPA will report this measure using a summary use/outcome list. It may make sense for states to record the measure using their own established state designated uses; EPA would then work with states to equate state uses with EPA reported summary uses. For the pilot effort, the form will provide a summary use/outcome list with space for states to enter additional uses and outcomes.

[∏] If two separate uses more or less equally contribute to the project's goals, make a note. The electronic form will have a separate option for this.

For projects that address, for example, a sewage spill that does not flow into the receiving waterbody, we assume that the "other public health" outcome category is most appropriate.

Example:
A project renovates a POTW and installs post-secondary chemical phosphorus removal equipment to comply with new TMDL allocations. The receiving waterbody is temperature impaired for its designated use as a cold water fishery and is also bacteria-impaired for its use of primary contact recreation. The project reduces effluent loadings of BOD, TSS, ammonia, and phosphorus. Because these pollutants are listed in the criteria for the receiving waterbody's two designated uses, the project protects both uses. Because the TSS reduction will affect the listed bacteria impairment, the project contributes to restoration of the primary contact recreation use. But because the project did not change effluent temperature, it will not be credited with restoring the cold water fishery use. Nonetheless, the cold water fishery is the primary use for this waterbody because its more stringent water quality criteria drive efforts to reduce loadings. Do not mark additional uses that are not explicitly addressed or strongly inferred in the planning/design documentation, even if project improvements incidentally protect these uses (e.g. agriculture).

Additional important comments
It is important to take every reasonable step to accurately link loan dollars spent for a project to the uses/outcomes that the project benefits. We can rarely measure protection or restoration of fishing or recreational uses on the scale of a single CWSRF project and the associated affected waterbody. State assigned designated uses and accompanying water quality criteria allow us to link the loading reductions from a CWSRF project to fishing, swimming, and other uses of and outcomes for affected waterbodies.

# ATTACHMENT 7

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**
WASHINGTON, D.C. 20460

Clean Water State Revolving Fund

October 26, 2005

SAAP-06-01

**MEMORANDUM**

SUBJECT: Process for Implementing Authority for Changes to Special Appropriations Act Projects (SAAP) in the State and Tribal Assistance Grants (STAG) Appropriations Account

FROM: Sheila E. Frace, Director /s/
Municipal Support Division

TO: Special Appropriations Act Projects Coordinators
Regional Grants Counsels
Regional Congressional Liaisons

The Agency's FY 2006 Appropriations Act included a permanent and retroactive provision that allows the Agency to make technical changes to the name of the grantee and the purpose of the grant. The new authority applies to earmarks in the State and Tribal Assistance Grants (STAG) Appropriations Account, also known as Special Appropriations Act Projects (SAAP) grants. Since each of you may at some time be the point of initial contact for requests for technical corrections, I wanted to make sure you were aware of the process by which the Agency will be implementing this provision.

Background:

Public Law 109-54, Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006, contains the following language:

> "notwithstanding this or any other appropriations Act, heretofore and hereafter, after consultation with the House and Senate Committees on Appropriations and for the purpose of making technical corrections, the Administrator is authorized to award grants under this heading to entities and for purposes other than those listed in the joint explanatory statements of the managers accompanying the Agency's appropriations Acts for the construction of drinking water, wastewater and stormwater infrastructure and for water quality protection."

This authority will expedite technical corrections that have historically taken up to a year to make. In order to ensure expeditious review of requests for technical corrections, the Office of Wastewater Management (OWM) has worked with the Office of the Chief Financial Officer (OCFO) to develop a standard process that will facilitate consultation with the Appropriations Committees. OCFO has worked with the staff on the House and Senate Appropriations Committees to develop a format for a list of corrections with which we will initiate consultation [See Attachment A]. The Agency will consult the Committees before OWM approves requests for technical corrections. Thereafter, the Regional Coordinators will be notified of the corrections that may be implemented and the Region may award the grants consistent with OWM's determination.

Process:

1. The Regional SAAP Coordinator will collect all requests for technical corrections identified by the Region and then provide the information to the Office of Wastewater Management (OWM).

2. The SAAP Coordinator must email the information (using the format in the attachment) to Jordan Dorfman. This should be done at any time the Region becomes aware of a needed change.

3. OWM will compile the list of needed corrections at the end of each quarter. To ensure that corrections are included in any quarter's consultation, SAAP coordinators should provide the information on the needed changes to Jordan at least 2 weeks before the end of the quarter.

4. Upon completion, OWM will submit the list to Delia Scott, Agency Liaison to the Appropriations Committees in OCFO, and to the Office of General Counsel (OGC).

5. OWM, OCFO, and OGC will evaluate the list to ensure that the requests fall within the bounds of the new authority.

6. OCFO will initiate consultation with the Appropriations Committees by transmitting the final list to the Committees' staff.

7. OWM will notify the respective Regions through their SAAP coordinators of the requests that OWM is approving. The Regions may then award the grants to the new recipient or for the new purpose as approved.

For this first quarter only, to address an outstanding need for technical corrections from prior year appropriations, OWM will evaluate requests for corrections based upon two submissions: the first by late October, and a second at the end of the quarter. All outstanding requests from prior years must be resubmitted in accordance with this memorandum to be considered. Please send your list to Jordan by Monday, November 7th for inclusion in the first round of consultation.

Thank you for your patience. If you have any questions, please call Jordan Dorfman at (202) 564-0614.

Attachment

Cc: Delia Scott
Paul Versace
James Blizzard
Jason Donaldson
Tim Fontaine
Richard Kuhlman

# ATTACHMENT 8

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**
WASHINGTON, D.C. 20460

Clean Water State Revolving Fund

SAAP-06-02

January 20, 2006

**MEMORANDUM**

SUBJECT: Update to Guidelines for Implementing the Three Percent Set-aside Provision

FROM: George Ames, Chief /s/
State Revolving Fund Branch

TO: Special Appropriations Act Projects Coordinators

The purpose of this memorandum is to provide Regional Coordinators with an update to the guidelines for implementation of the three percent set-aside provision ("guidelines"), issued on September 27, 2001. Specifically, this memorandum will change the process for distribution of the set-aside to those States that choose to accept the set-aside for project inspection purposes.

Background

Page six of the guidelines discusses the process for transference of the set-aside funds to those states that have opted to accept the funds. Specifically, the guidelines state:

> "The Regional Offices should submit requests to Headquarters for distributions from the set-aside account. All requests for use of the set-aside funds should include the information contained in Attachment 1. In cases where the funds are to be awarded to a State, the request should be on a State-by-State basis. An example of a request that was prepared by the State of South Dakota, which is less than two pages, is shown in Attachment 2. The 253 special projects, including project descriptions and grant amounts, are listed on Attachment 3."

This process has been in place since FY 2001. The Regional Coordinators must individually make requests on a state-by-state basis after each state has submitted its request to the Region. EPA Headquarters transfers funds to the Regions on a state-by-state basis, followed by the state applying for the set-aside grant.

Modification

Following discussion with the Regional Coordinators at the annual SAAP meeting held in November, 2005, we have decided to modify the process for requesting set-aside funds for states. As of the beginning of FY 2006, the following streamlined process will be in place:

1. At the beginning of each fiscal year, after the final dollar amount per project is published, each Regional Coordinator will request the set-aside funds to be awarded to states in their respective regions for that fiscal year, based upon the projects listed in the appropriations conference report. The request should be for one lump sum per region. This request should be sent to Jordan Dorfman (dorfman.jordan@epa.gov).
2. EPA Headquarters will transfer the specified amount to each Region.
3. Each state may submit its request for set-aside funds and grant application at the same time, for review by the Regional Coordinator.
4. The Region will award the set-aside grants.
5. Any remaining funds will be carried over to the next fiscal year.

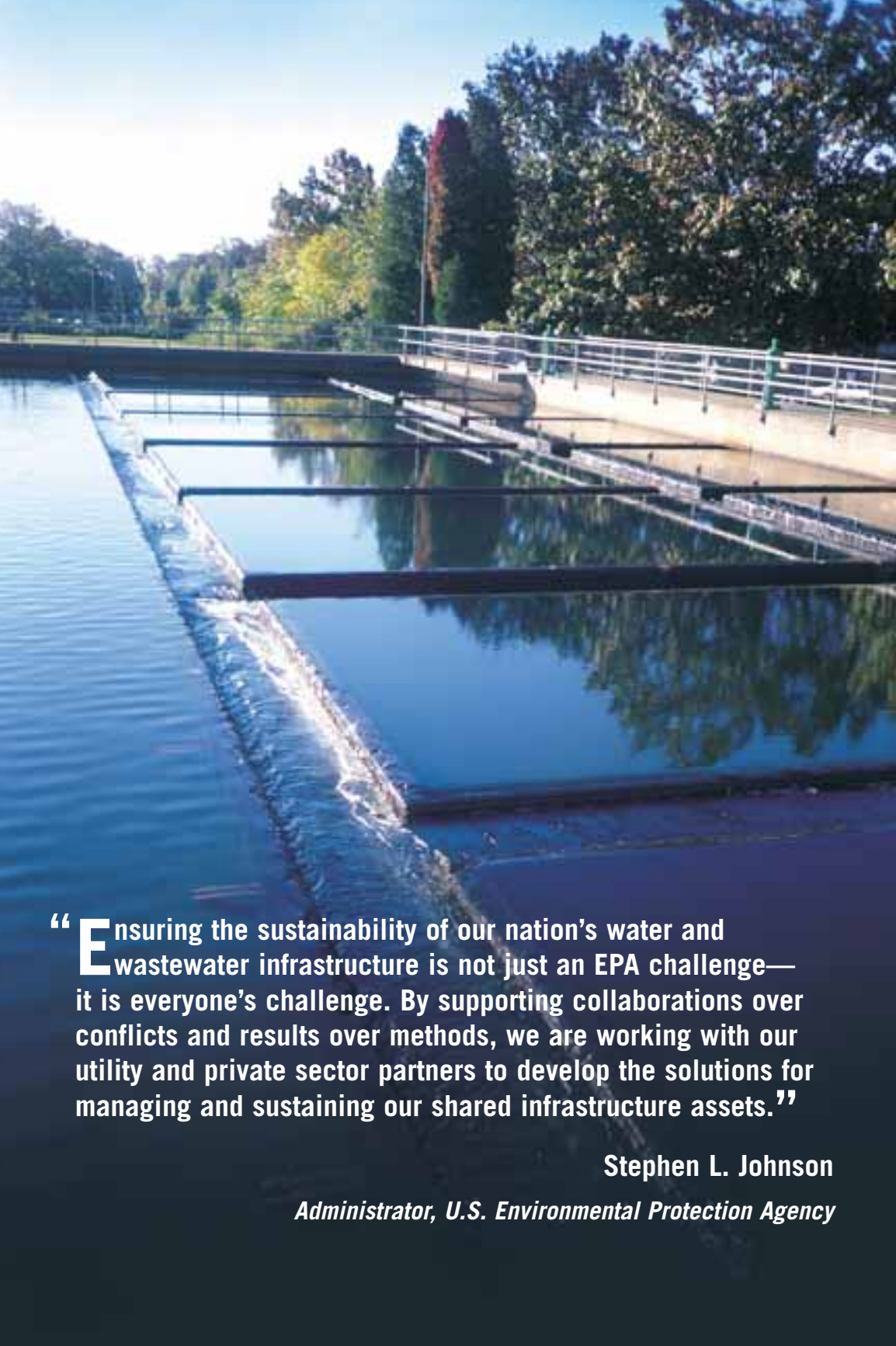
Conclusion

We believe that this process will reduce the time and effort needed to award three percent set-aside grants to the states, and reduce the burden on the Regional Coordinators. Thank you for your patience. If you have any questions, please call Jordan Dorfman at (202) 564-0614.

cc: Jim Hanlon, OWM
Sheila Frace, MSD
Ben Hamm, MAB

# ATTACHMENT 9

# Sustaining Our Nation's Water Infrastructure

"Ensuring the sustainability of our nation's water and wastewater infrastructure is not just an EPA challenge—it is everyone's challenge. By supporting collaborations over conflicts and results over methods, we are working with our utility and private sector partners to develop the solutions for managing and sustaining our shared infrastructure assets."

**Stephen L. Johnson**

***Administrator, U.S. Environmental Protection Agency***

# Never Take It For Granted

Every day we benefit from the environmental, public health, social, and economic benefits that clean and safe water provide. One of the most critical challenges facing the nation is how to sustain our water and wastewater infrastructure to ensure that the public can continue to enjoy these benefits in the future.

Our wastewater and drinking water systems are aging, with some system components older than 100 years. Our growing and shifting population requires investment for new infrastructure and maintenance of existing infrastructure. Current treatment strategies, technologies, and management approaches may not be adequate to address emerging issues; investment in research and development has declined; and the prospects for continued large federal investment are limited.

In the last 20 years, communities across the country spent approximately $1 trillion on drinking water treatment and supply and wastewater treatment and disposal. While this spending is significant, it may not be sufficient to ensure the delivery of sustainable drinking water and wastewater services in the decades ahead.

EPA's *Clean Water and Drinking Water Infrastructure Gap Analysis* (2002) estimated that if capital investment and operations and maintenance remained at current levels, the potential funding shortfall for drinking water and wastewater infrastructure could exceed $500 billion by 2020. This report also pointed out that drinking water and wastewater systems will need to use a combination of increased investment and innovative management practices and technologies to close this gap. Finally, the study noted that the funding gap would shrink dramatically if investment by utilities were to increase at a real growth rate of three percent per year.

# Facing the Challenge

The U.S. Environmental Protection Agency (EPA), led by the Office of Water, has launched the *Sustainable Water Infrastructure* (SI) initiative. EPA is collaborating with drinking water and wastewater utility managers, trade associations, local watershed protection organizations, and state and local officials to help ensure that our nation's precious water infrastructure is sustainable in the future. Working as an advocate and sharing information on best practices, tools, innovative technologies, and research and development break-throughs, EPA is working with many partners to fundamentally change the way the nation views and manages its water infrastructure. To learn about the most recent developments, visit <www.epa.gov/water/infrastructure>.

In addition to supporting adoption of state-of-the-art management approaches by utilities, including management of decentralized facilities, we are promoting research and development for promising new technologies and techniques to increase effectiveness and reduce drinking water distribution and wastewater conveyance system costs. We also will explore new design concepts for future systems.

EPA is only one partner in this effort. Throughout this initiative, we will continue to focus heavily on providing information and

tools to our state partners, third party assistance providers, and associations who serve as the primary deliverers of assistance to local utility managers.

Our SI activities are organized around the following four priority areas, or pillars.

**1. Better Management**—to shift the utility management model beyond compliance to sustainability and improved performance by focusing on utility management systems, such as environmental management systems (EMS) and asset management, capacity development for smaller utilities, and selection of innovative, cost-effective technologies.

**2. Full Cost Pricing**—to help utilities recognize their full costs for providing service over the long-term and to implement pricing structures that effectively recover costs and promote environmentally sound decisions by customers.

**3. Water Efficiency**—to promote water efficiency in the residential and commercial sector through WaterSense℠, a new market enhancement program for water efficient products and services. Under this pillar, EPA also is facilitating the establishment of an independent, national collaborative organization committed to improving water efficiency, promoting improved building and landscaping practices, and recognizing leadership in water efficiency.

**4. The Watershed Approach**—to encourage the adoption of watershed management principles and tools into utility planning and management practices, so that key decision makers consider watershed-based, cost effective alternatives along with traditional treatment technology investment choices. Watershed management approaches include, but are not limited to, source water protection, water quality trading, centralized management of decentralized systems, and smart growth approaches to stormwater and wastewater management.

# Overview of the Four Pillars

## Better Management

Effective utility management is key to achieving sustainable water infrastructure. Effective management can help utilities enhance the stewardship of their infrastructure, improve performance in many critical areas, better control costs, and respond to other challenges. EPA's goal is that, by 2020, utilities will have adopted, or be in the process of adopting, sustainable management systems and practices and cost-effective technologies. EPA is focusing on the following areas:

**Utility Management Systems**—We have signed a major agreement with six national water and wastewater associations to promote more effective utility management practices through the use of environmental management systems and other innovative approaches like asset management. In addition, we will continue to directly support training and information sharing on proven management tools like EMS, asset management, and others.

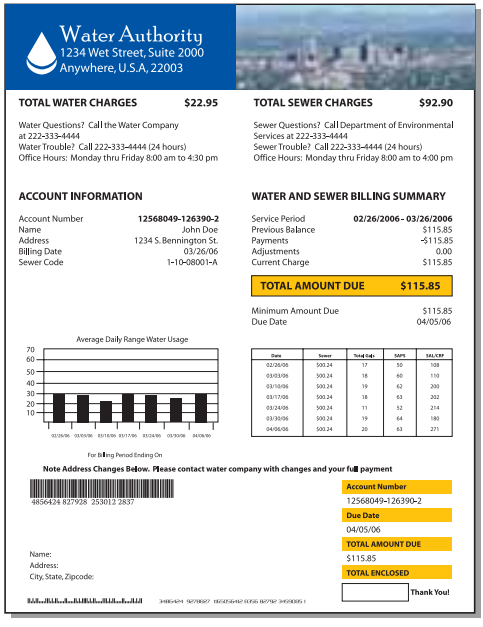
**Capacity Development and Assistance for Small Systems**—Working closely with states and other technical assistance providers, we are supporting small and disadvantaged communities with technical, managerial, and financial assistance to help improve their capacity to meet regulatory requirements, enhance performance, and promote long-term sustainability.

**Cost-Effective Technology Selection**—We are sharing technical information to help utilities evaluate, select, and operate technologies for optimal performance and minimal life-cycle costs.

# Full Cost Pricing

On average, each person in the United States uses 100 gallons of water a day and pays $1.30 per day for water and wastewater services. The Full Cost Pricing pillar is helping utilities recognize the full cost of providing efficient and environmentally sound service and to implement a pricing structure designed to recover costs and promote water efficiency. We are focusing on the following areas:

**Techniques for Recognizing and Implementing the Full Cost of Providing Service**—Full cost pricing is generally interpreted to mean factoring all costs—past, present, and future operations, maintenance, and capital costs—into prices and rate structures. We are initiating a campaign to educate and assist utilities, government leaders, and the public on the importance of full cost recognition. We have convened an expert workgroup to fully develop a conceptual model and have published case studies and a guide on full cost pricing for small drinking water utilities.


Water Authority
1234 Wet Street, Suite 2000
Anywhere, U.S.A, 22003

TOTAL WATER CHARGES $22.95

Water Questions? Call the Water Company at 222-333-4444
Water Trouble? Call 222-333-4444 (24 hours)
Office Hours: Monday thru Friday 8:00 am to 4:30 pm

TOTAL SEWER CHARGES $92.90

Sewer Questions? Call Department of Environmental Services at 222-333-4444
Sewer Trouble? Call 222-333-4444 (24 hours)
Office Hours: Monday thru Friday 8:00 am to 4:00 pm

ACCOUNT INFORMATION

| | |
|---|---|
| Account Number | 12568049-126390-2 |
| Name | John Doe |
| Address | 1234 S. Bennington St. |
| Billing Date | 03/26/06 |
| Sewer Code | 1-10-08001-A |

WATER AND SEWER BILLING SUMMARY

| | |
|---|---|
| Service Period | 02/26/2006 - 03/26/2006 |
| Previous Balance | $115.85 |
| Payments | -$115.85 |
| Adjustments | 0.00 |
| Current Charge | $115.85 |
| TOTAL AMOUNT DUE | $115.85 |
| Minimum Amount Due | $115.85 |
| Due Date | 04/05/06 |

Average Daily Range Water Usage

70 60 50 40 30 20 10

02/26/06 03/05/06 03/10/06 03/17/06 03/24/06 03/30/06 04/06/06

| Date | Sewer | Total Gal. | SAFE | SAL/CRF |
|---|---|---|---|---|
| 02/26/06 | 500.24 | 17 | 50 | 108 |
| 03/03/06 | 500.24 | 18 | 60 | 110 |
| 03/10/06 | 500.24 | 19 | 62 | 200 |
| 03/17/06 | 500.24 | 18 | 63 | 202 |
| 03/24/06 | 500.24 | 11 | 52 | 214 |
| 03/30/06 | 500.24 | 19 | 64 | 180 |
| 04/06/06 | 500.24 | 20 | 63 | 271 |

For Billing Period Ending On

Note Address Changes Below. Please contact water company with changes and your full payment

48364 24 827928 253012 2837

Account Number
12568049-126390-2
Due Date
04/05/06
TOTAL AMOUNT DUE
$115.85
TOTAL ENCLOSED
Thank You!

Name:
Address:
City, State, Zipcode:

**Options for Achieving Greater Cost Efficiency**—Some systems are concerned about the willingness of their customers to pay the full cost of service. We will continue to work with these systems and state agencies to help them engage their customers in a dynamic discussion regarding the level of service and performance customers expect and the cost at which that level of service can be delivered.

# Water Efficiency

Improved water efficiency can reduce the strain on aging water and wastewater utilities and can sometimes delay or even eliminate the need for costly new construction to expand system capacity. We are working to foster a national ethic of water efficiency, so that water is valued as a limited resource that should be used wisely. To accomplish this, we are focusing on the following areas:

**WaterSense℠ Market Enhancement Program—** We have launched WaterSense℠, an innovative partnership program to promote water-efficient products and services. The *WaterSense* label will identify products that have undergone third-party testing to ensure both their performance and water efficiency. The program also includes a public outreach campaign.

**National Organization to Foster Water Efficiency—**We are supporting the formation of the **Alliance for Water Efficiency (AWE).** This new national organization will promote product improvements and support research into new technologies for saving water.

**Water Efficiency Leaders—**The **Water Efficiency Leaders** program recognizes organizations and individuals who are providing leadership and innovation in the efficient use of water. Intended to inspire and motivate others, this awards program will enable EPA to document best practices, share information, and create a network of water efficiency leaders.

**Water Efficiency in Buildings and Landscapes—**We are working with stakeholders in the home building industry to establish guidelines for the construction of water-efficient new homes. We are also working to incorporate water-efficiency elements into building rating systems, such as the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) Green Building Rating System®.

# Watershed Approach

Utilities and other decision makers need to evaluate a broad array of traditional and other watershed-based tools as they make key water infrastructure decisions. EPA is striving for a more integrated approach to watershed planning that helps reduce future infrastructure costs or, in certain cases, provides alternatives to traditional infrastructure approaches. Examples of our current focus areas include:

**Source Water Protection**—Watershed approaches can reduce pollutant loadings and contamination of drinking water sources, thereby reducing the need for expensive treatment systems. Watershed approaches can also be used to ensure adequate water supplies.

**Water Quality Trading**—We are working closely with states and offering guidance on how to promote innovative trading approaches to maximize the benefits of actions within a watershed where they realize the highest gains.

**Decentralized Onsite Infrastructure Management**—Decentralized onsite approaches can be used to cost-effectively manage wastewater and stormwater systems. Many communities are successfully using management strategies in combination with conventional infrastructure solutions.

**Watershed Approaches to NPDES Permitting**—EPA is providing guidance on how utilities can incorporate a watershed approach to NDPES permits to maximize the benefits of a coordinated basin-wide approach.

**Sustainable Watershed Financing**—The Office of Water is working closely with EPA's Environmental Finance Advisory Board and Environmental Finance Centers to develop tools, case studies, and demonstration projects to implement innovative watershed-based financing strategies.

**Watershed Approaches to Restoring Impaired Waters**—We are developing case studies, models and other tools to help states and local governments restore impaired waters using the watershed approach. We have published the Draft Handbook for *Developing Watershed Plans to Restore and Protect Our Waters* and will provide training and workshops on watershed planning techniques and approaches.


RURAL WATER
RRWA 6

# Sustainable Water Infrastructure

# Contacts

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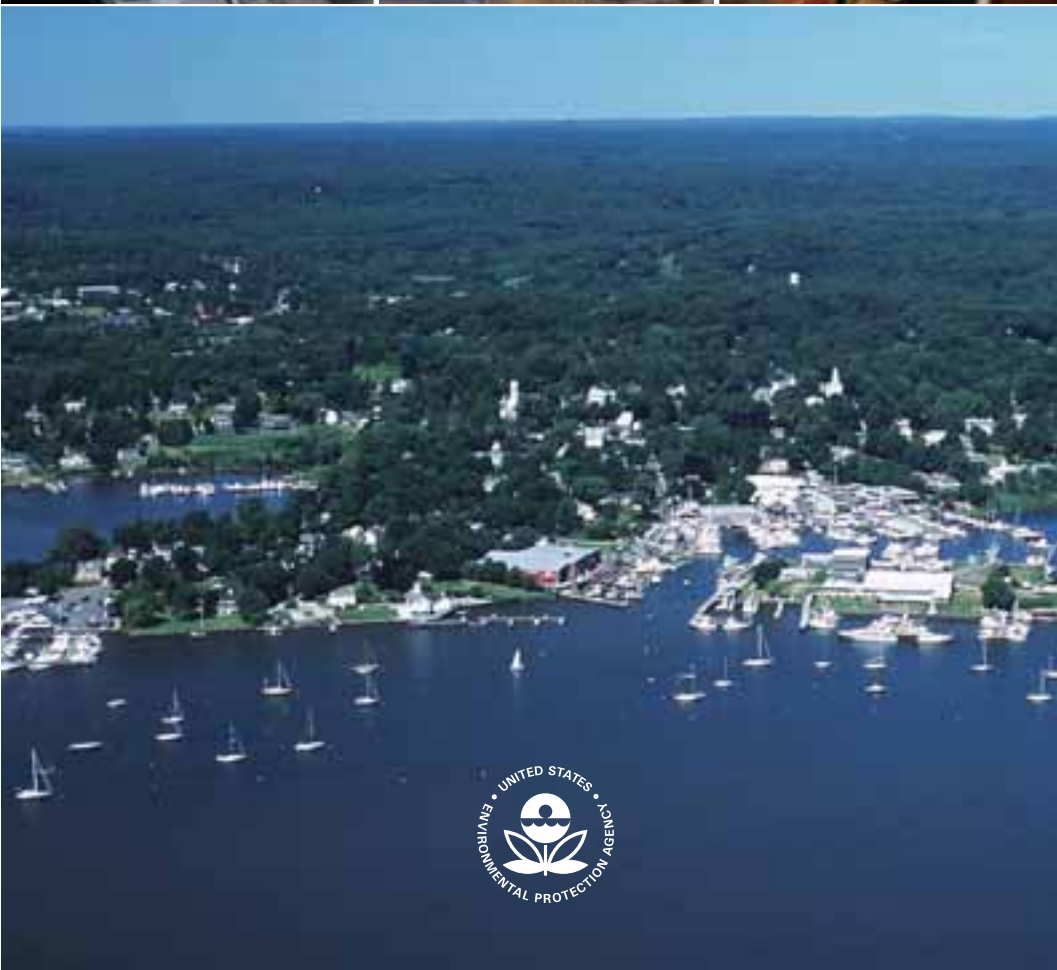
United States Environmental Protection Agency
Office of Water (4204M)
August 2006
www.epa.gov/water/infrastructure

# Sustainable Water Infrastructure

# Tools & Resources



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

There are a many tools and other resources to help educate utilities, states, and the public on various aspects of sustainable infrastructure. The list below identifies some of the most important. To learn more about this important topic we encourage you to obtain copies of these tools and to consult EPA's sustainable infrastructure Web site at <www.epa.gov/water/infrastructure>.

## Contents




United States Environmental Protection Agency
Office of Water (4204M)
EPA-832-F-06-026
August 2006
www.epa.gov/water/infrastructure

## Better Management

### "Attributes of Sustainably Managed Utilities" List and Utility Profiles

In July 2005, EPA hosted a meeting with a number of leading utilities to discuss ways to encourage other utilities to adopt sustainable management approaches. A major output of that meeting was a list of "Attributes of Sustainably Managed Utilities" and a series of profiles of several leading utilities. A summary of this meeting along with the Attributes and Utility Profiles is available at <www.epa.gov/water/infrastructure>.

### An Environmental Management Systems Handbook for Wastewater Utilities

The EMS Wastewater Handbook provides a step-by-step guide for wastewater utilities to use when developing an environmental management system (EMS) for their operations. The handbook provides case examples, data, sample documentation and other tips from several wastewater utilities that have successfully implemented EMSs. Access the handbook at <www.epa.gov/ow/ems/>, the Office of Water Resource Center at <www.epa.gov/OGWDW/resource/>, or the Public Entity Environmental Management System Resource (PEER) Center at <www.peercenter.net>.

### PEER EMS Local Resource Centers

Eleven PEER EMS Local Resource Centers are operating around the country that can help water and wastewater utilities, as well as other local government operations implement environmental management systems for their facilities. These centers offer a range of training and other forms of technical assistance. A full description of the PEER Resource Centers can be found at <www.peercenter.net/whocanhelp/lrc.cfm>.

### Asset Management: A Handbook for Small Water Systems (EPA 816-R-03-016, September 2003)

EPA has developed a "Simple Tools for Effective Performance" (STEP) Guide that emphasizes how effective asset management is a key element of small system sustainability. Various sample worksheets are provided to help small systems organize data and determine the best approach to maintenance and replacement of major physical assets. An electronic copy of the document can be found by at <www.epa.gov/safewater/smallsys/pdfs/guide_smallsystems_asset_mgmnt.pdf>.

### Taking Stock of Your Water System: A Simple Asset Inventory Guide for Very Small Drinking Water Systems (EPA 816-K-03-002, October 2004)

EPA has developed a STEP Guide to assist very small systems in conducting a simple inventory of infrastructure for capital planning purposes. This STEP

Guide can help these types of water systems run properly and ensure that the drinking water they produce is reliable, safe and affordable. An electronic copy of the document can be found at <www.epa.gov/safewater/smallsys/pdfs/final_asset_inventory_for_small_systems.pdf>.

### Strategic Planning: A Handbook for Small Water Systems (EPA 816-R-03-015, September 2003)

EPA has developed a STEP Guide to assist small systems in strategic planning. The guide provides worksheets and related tools to help systems organize data and systematically assess their strengths, weaknesses, challenges, and opportunities. This guide is based on the strategic planning workshops held around the country in 2000. An electronic copy of the document can be found at <www.epa.gov/safewater/smallsys/pdfs/guide_smallsystems_stratplan.pdf>.

### Sources of Technical and Financial Assistance for Small Drinking Water Systems (EPA 816-K-02-005, July 2002)

EPA has developed a guide that identifies major sources of technical and financial assistance specifically targeted at small drinking water systems. Each listing describes the source's mission and types of assistance that can be provided, and lists contact information. An electronic version of the document can be found at <www.epa.gov/safewater/smallsys/pdfs/tfa_sdws.pdf>.

### TEAMS (Total Electronic Asset Management System) Asset Management Software for Small Utilities

Developed by the Maryland Center for Environmental Training (MCET), this software is targeted for small wastewater utilities and is accompanied by a training tool kit which includes training modules on a range of asset management topics. The software can be obtained by visiting the MCET Web site and submitting an e-mail request at <www.mcet.org/Technical/environment/teamsAM.html>.

### U.S. EPA Advanced Asset Management Training Workshops

The Office of Water is collaborating with partner organizations, hosts, and co-sponsors to provide training on best practice in Advanced Asset Management. The workshops are primarily designed to meet the Advanced Asset Management training needs of water and wastewater utility CEOs, and senior level personnel. For more information and a list of upcoming sessions, go to <www.epa.gov/owm/assetmanage/index.htm> and click on "Training Workshops."

### WERF's Sustainable Infrastructure Management Program Learning Environment (SIMPLE)

EPA has collaborated on the development of an intuitive and interactive Web-based asset management strategy tool, SIMPLE, which has been developed

under the aegis of a Water Environment Research Foundation (WERF) research project (03-CTS-14). SIMPLE contains a set of user-friendly online processes and practice guidelines, templates, and decision support tools that utilities and wastewater industry professionals can apply to asset management. For more information, visit <www.werf.us/> and click on "interactive tools."

### NACWA's Managing Public Infrastructure Assets to Minimize Cost and Maximize Performance

This handbook, funded by EPA, establishes an understanding of asset management principles and program benefits and assists public water and wastewater utilities with the development of asset management programs. To obtain a copy, visit <www.amsa-cleanwater.org/pubs/index.cfm>.

### IPWEA's International Infrastructure Management Manual (2006 Edition)

Published by the Institute of Public Works Engineering Australia, the 2006 edition of the *International Infrastructure Management Manual* is the premier handbook on asset management practices and provides a detailed road map for preparing an asset management plan. The manual contains extensive information on benchmarking, condition grading, valuations, asset hierarchy structures, and information systems. It presents simple economic evaluation tools and other techniques for project decision-making and prioritization. To obtain a copy of the manual, visit <www.ipwea.org.au/news/169.html>.

## Full Cost Pricing

### Setting Small Drinking Water System Rates for A Sustainable Future (EPA 816-R-05-006, January 2006)

This document helps water utilities consider whether their rate structures sufficiently address the costs of ensuring safe and clean water. Written for owners and operators of small community drinking water systems serving 3,300 or fewer persons, this guide explains the full costs of providing a safe and adequate supply of drinking water to customers, and how to set water rates that will support these costs. Systems that will find this guide useful are small publicly or privately owned entities whose primary business is providing drinking water, as well as homeowner associations and manufactured housing communities. An electronic version of the document can be found at <www.epa.gov/water/infrastructure/pdf/final_ratesetting_guide.pdf> and <www.epa.gov/safewater/smallsys/pdfs/guide_smallsystems_final_ratesetting_guide.pdf>.

### Consolidated Water Rates: Issues and Practices in Single-Tariff Pricing (EPA 1999)

This report addresses the full cost pricing pillar by providing an overview and a discussion of the complex trade-offs involved in implementing consolidated ratemaking. Jointly published by EPA and the National Association of Regulatory Utility Commissioners (NARUC), this report can be accessed at <www.epa.gov/safewater/utilities/stptitle.pdf>.

### Case Studies of Sustainable Water and Wastewater Pricing (EPA 816-R-05-007, December 2005)

Communities all across the country, both rural and urban, are making efforts towards sustainable pricing for drinking water and wastewater systems. This document provides real-world examples of how eight drinking water systems made decisions on determining and establishing appropriate rates that will help them to better recover the costs of running their systems. Access these studies at <www.epa.gov/water/infrastructure/pdf/FullCost_Pricing_casestudies_finalversion.pdf>.

## Water Efficiency

### American Water Works Association's (AWWA) WaterWiser interactive Web site

**<www.waterwiser.org>**

This water efficiency clearinghouse was developed and launched under a cooperative agreement with EPA and provides information about water conservation, efficiency, and demand management to utilities, water managers, and the public.

### California Urban Water Conservation Council's (CUWCC) H2OUSE Water Saver Home Web Site

**<www.h2ouse.org/>**

This Web site was developed under an EPA cooperative agreement for homeowners and other consumers to learn about water saving opportunities.

### Guidelines for Water Reuse (EPA 625/R-04/108, September 2004)

These guidelines present and summarize water reuse for utilities and regulatory agencies. The guidelines cover water reclamation for non-potable urban, industrial, and agricultural reuse, as well as augmentation of potable water supplies through indirect reuse. Technical, regulatory, legal, funding, and public involvement issues related to water reuse are discussed. These guidelines are available at <www.epa.gov/ORD/NRMRL/pubs/625r04108/625r04108.htm>.

### Water Conservation Plan Guidelines (EPA-832-D-98-001, August 1998)

These guidelines provide information to water systems planners to help them develop local and statewide water conservation plans. These voluntary guidelines provide information on water conservation planning, criteria, guidelines and measures, as well as how to incorporate water conservation into infrastructure planning. These guidelines are available at <www.epa.gov/OW-OWM.html/water-efficiency/wecongid.htm>.

## Watershed Approach

### Watershed-based NPDES Permitting Implementation and Technical Guidance (EPA 833-B-03-004, December 2003)

This implementation guidance describes the concept of and the process for watershed-based permitting under the National Pollutant Discharge Elimination System (NPDES) permit program. This document can be found at <www.epa.gov/npdes/pubs/watershedpermitting_finalguidance.pdf>.

### Implementing Water Quality Trading through NPDES Permitting

This document is currently in draft form and has not yet been published. It will describe the concept of water quality trading and illustrate several options for incorporating trading into NPDES permits. The guidance will show a step-by-step process starting with the decision by stakeholders that a trade is feasible and a trading framework is in place, to the final permit. It will also include an appendix of 16 actual trades that illustrate the options.

## Additional Web Resources

### Sustainable Water Infrastructure for the 21st Century

**<www.epa.gov/water/infrastructure/>**

This site explains EPA's "Four Pillars of Sustainable Infrastructure" encompassing initiatives to promote sustainable water infrastructure. It also posts relevant laws and regulations, funding and grant announcements, new initiatives, research and development activities, success stories, new tools and resources, and upcoming meetings and conferences.

### Clean Water and Drinking Water Infrastructure Gap Analysis

**<www.epa.gov/OW-OWM.html/gapreport.pdf>**

The *Clean Water and Drinking Water Infrastructure Gap Analysis* estimates the funding gap from 2000 to 2019 for drinking water and wastewater systems. The report considers both capital investment and maintenance and explains how the projections are calculated. Approximately 54,000 community water systems and 21,4100 noncommunity water systems are covered, as well as 16,000 publicly owned water treatment works.

## New Development: Smart Growth

**<www.epa.gov/smartgrowth>**

The Smart Growth initiative addresses how and where new development should be accommodated based on the economy, the environment, and the community. Healthy communities, economic development, and jobs, strong neighborhoods, and good transportation choices are priorities.

## Drinking Water Capacity Development Web Site

**<www.epa.gov/safewater/smallsys/capdev.htm>**

States and water systems work together through capacity development to ensure that safe drinking water can be provided consistently, reliably, and cost-effectively. The collaboration also works to achieve the health objectives of the 1996 Safe Drinking Water Act. Using capacity development, states can target the technical, financial and managerial needs of the many small systems that account for the majority of public water systems.

## EPA's Water Efficiency Web Site

**<www.epa.gov/owm/water-efficiency/index.htm>**

This site provides information on the benefits of water efficiency and strategies for the long-term conservation of water resources through the employment of water saving technologies.

## Effective Water Sector Utility Management Statement

**<www.epa.gov/owm/assetmanage/pdfs/utility_management.pdf>**

EPA and several partners issued a statement to explain the efforts they will make to promote effective utility management in order to sustain the Nation's water and wastewater infrastructure. The partners include both government and industry representatives.

## Dawn of the Replacement Era: Reinvesting in Drinking Water Infrastructure

**<www.win-water.org/win_reports/infrastructure.pdf>**

This report discusses the findings of a study conducted by the American Waterworks Association on best practices for replacing and maintaining the infrastructure.

United States
Environmental Protection Agency
Office of Water (4204M)
EPA-852-E-06-004
August 2006
www.epa.gov/water/infrastructure